



SEATTLE CITY COUNCIL

Legislative Summary

CB 118872

Record No.: CB 118872

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125223

In Control: City Clerk

File Created: 11/10/2016

Final Action: 12/16/2016

Title: AN ORDINANCE vacating the alley in Block 14, Heirs of Sarah A. Bell's Addition, bounded by Westlake Avenue, Virginia Street, 6th Avenue, Lenora Street, and 7th Avenue, on the petition of Acorn Development LLC (Clerk File 312260).

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: O'Brien

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments: Ex 1 - Property Use and Development Agreement

Drafter: amy.gray@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

☐ Yes

☐ No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	11/22/2016	Mayor's leg transmitted to Council	City Clerk			
1	City Clerk	11/22/2016	sent for review	Council President's Office			
Action Text: The Council Bill (CB) was sent for review. to the Council President's Office							
Notes:							
1	Council President's Office	11/28/2016	sent for review	Sustainability and Transportation Committee			
Action Text: The Council Bill (CB) was sent for review. to the Sustainability and Transportation Committee							
Notes:							
1	Full Council	11/28/2016	referred	Sustainability and Transportation Committee			
Action Text: The Council Bill (CB) was referred. to the Sustainability and Transportation Committee							

Notes:

- 1 Sustainability and Transportation Committee 12/06/2016 pass Pass

Action Text: The Committee recommends that Full Council pass the Council Bill (CB).

Notes:

In Favor: 2 Chair O'Brien, Vice Chair Johnson

Opposed: 0

- 1 Full Council 12/12/2016 passed Pass

Action Text: The Council Bill (CB) was passed by the following vote, and the President signed the Bill:

Notes:

In Favor: 8 Councilmember Bagshaw, Councilmember Burgess, Council President Harrell, Councilmember Herbold, Councilmember Johnson, Councilmember Juarez, Councilmember O'Brien, Councilmember Sawant

Opposed: 0

- 1 City Clerk 12/14/2016 submitted for Mayor's signature Mayor

- 1 Mayor 12/16/2016 Signed

- 1 Mayor 12/16/2016 returned City Clerk

- 1 City Clerk 12/16/2016 attested by City Clerk

Action Text: The Ordinance (Ord) was attested by City Clerk.

Notes:

CITY OF SEATTLE

ORDINANCE 125223

COUNCIL BILL 118872

AN ORDINANCE vacating the alley in Block 14, Heirs of Sarah A. Bell's Addition, bounded by Westlake Avenue, Virginia Street, 6th Avenue, Lenora Street, and 7th Avenue, on the petition of Acorn Development LLC (Clerk File 312260).

WHEREAS, Clise Properties, Inc. on behalf of Acorn Development LLC ("Petitioner") filed a petition under Clerk File 312260 to vacate the alley bounded by Westlake Avenue, Virginia Street, 6th Avenue, Lenora Street, and 7th Avenue; and

WHEREAS, Acorn Development LLC is the successor in interest and the current Petitioner; and

WHEREAS, following a September 25, 2012 public hearing on the petition, the Seattle City Council ("City Council") conditionally granted the petition; and

WHEREAS, a Property Use and Development Agreement recorded with the King County Recorder's Office under Recording No. 20160712001124 commits the Petitioner and their successors to fulfill ongoing public-benefit obligations required as part of the vacation; and

WHEREAS, as provided for in Section 35.79.030 RCW and Seattle Municipal Code Chapter 15.62, the Petitioner has paid the City a vacation fee of \$5,181,000 on January 8, 2015, that is the full appraised value of the property; and

WHEREAS, Acorn Development LLC have met all conditions imposed by the City Council in connection with the vacation petition; and

WHEREAS, vacating the 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 bounded by Westlake Avenue, Virginia Street, 6th Avenue, Lenora Street, and 7th Avenue in the South Lake Union Neighborhood of Seattle is in the best interests of the public; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

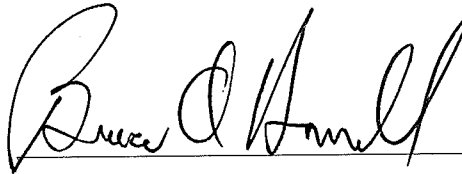
Section 1. The alley bounded by Westlake Avenue, Virginia Street, 6th Avenue, Lenora Street, and 7th Avenue in South Lake Union neighborhood of Seattle described below is vacated:

The 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 Volume 1 of Plats, page, 103, in King County, Washington.

Section 2. The Property Use and Development Agreement, King County Recording Number 20160712001124, attached as Exhibit 1 to this ordinance, is accepted.

Section 3. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the 12th day of December, 2016,
and signed by me in open session in authentication of its passage this 12th day of
December, 2016.



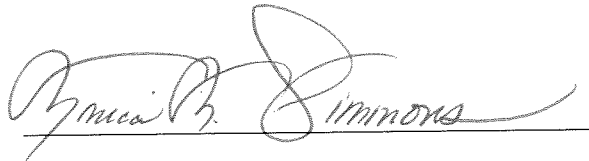
President _____ of the City Council

Approved by me this 16th day of December, 2016.



Edward B. Murray, Mayor

Filed by me this 16th day of December, 2016.



Monica Martinez Simmons, City Clerk

(Seal)

Exhibits:
Exhibit 1 – Property Use and Development Agreement

When Recorded, Return to:

HILLIS CLARK MARTIN & PETERSON P.S.

Attn: T. Ryan Durkan

1221 Second Avenue, Suite 500

Seattle, WA 98101-2925



20160712001124

ACORN AG 81.00
PAGE-001 OF 009
07/12/2016 14:15
KING COUNTY, WA

PROPERTY USE AND DEVELOPMENT AGREEMENT

Grantor:	Acorn Development LLC
Grantee:	City of Seattle
Legal Description (abbreviated):	Alley in Block 14, Heirs of Sarah A. Bell's Addition to the City of Seattle
Assessor's Tax Parcel ID #:	065900-0880; 065900-0870; 065900-0860; 065900-0775
Reference Nos. of Documents Released or Assigned:	N/A

This PROPERTY USE AND DEVELOPMENT AGREEMENT (the "Agreement") is executed this 28 day of JUNE, 2016, in favor of the CITY OF SEATTLE (the "City"), a Washington municipal corporation, by ACORN DEVELOPMENT LLC (the "Owner"), a Delaware limited liability corporation.

RECITALS

A. **WHEREAS**, Owner is vested in fee simple title and has a substantial beneficial interest in certain real property, which is legally described in EXHIBIT A (the "Property"); and

B. **WHEREAS**, Owner applied for and received approval of a Master Use Permit (Project No. 3013151) to develop a commercial tower on the above-described property and has redeveloped the property in accordance with approvals (the "Development"); and

C. **WHEREAS**, in connection with the Development, a petition was filed under City of Seattle Clerk's File No 312260 pursuant to Chapter 35.79 of the Revised Code of Washington and Seattle Municipal Code Chapter 15.62, by the Owner and its predecessor in interest, Clise Properties, Inc., to vacate the alley in Block 14 of Sarah A. Bell's Addition of Seattle as legally described in EXHIBIT B; and

D. WHEREAS, the Transportation Committee of the Seattle City Council held a public hearing on the street vacation petition and recommended approval of the street vacation petition, subject to conditions; and

E. WHEREAS, the Seattle City Council granted preliminary approval of the street vacation petition, subject to conditions, on November 5, 2012, in City of Seattle Clerk's File No. 312260 ("Council Vacation Decision"), including the public benefit improvements listed in Section 1; and

F. WHEREAS, execution of a Property Use and Development Agreement is desired to ensure compliance with any conditions of alley vacation approval that will not be fully satisfied prior to passage of the ordinance vacating the above-referenced alley; and

G. WHEREAS, the Owner now seeks final vacation of the alley in Block 14 of Sarah A. Bell's Addition as described in EXHIBIT B;

NOW, THEREFORE, the Owner agrees that if the ordinance vacating the above-referenced alley is passed by the Seattle City Council and approved by the Mayor, then the Owner shall operate and maintain the Development in accordance with this Agreement:

AGREEMENT

Section 1. Public Benefit Improvements. Addressed below are those on-site and off-site public benefit improvements of the alley vacation approval that require ongoing maintenance during the operation of the Development, which shall be collectively referred to as the "Public Benefit Improvements" and which are depicted on EXHIBIT C.

A. Westlake Avenue Street Improvements

- i. Approximately 1,740 sf of cast-in-place concrete paving with light gray integral color and saw cuts joints and landscaping improvements including evergreen shrubs, ground cover and three street trees at the existing streetcar stop on Block 14 on Westlake Ave between 7th Ave and Virginia St.

B. Other Voluntary Building Setbacks

- i. Approximately 1,332 sf of voluntary building setbacks within the property line including standard City of Seattle cast-in-place concrete sidewalk and landscaping improvements including ornamental grasses and one small tree.

C. Enhanced Right-of-Way Improvements

- i. 7 trees as part of a double row of trees on 7th Avenue.

- ii. One offsite wayfinding sign per the City Center Wayfinding Plan at the corner of 7th Avenue and Lenora Street per SIP #174353
- iii. One onsite wayfinding sign. The wayfinding sign will be installed in conjunction with the wayfinding signage proposed for Block 19 under Clerk File 312261.

D. Art

- i. One signature art piece, “Petros 2015” by Julie Spiedel, stainless steel sculpture and up lighting.
- ii. Integrated art in the right-of-way, including custom granite paving, custom wood benches and custom utility vault covers.

Section 2: Maintenance. The Owner shall maintain all of the Public Benefit Improvements in good repair for the life of the Development.

Section 3: Public Access. Public access shall be allowed 24 hours every day of the year to the following onsite Public Benefit Improvements such that the public can pass through or use the amenity regardless of whether such use by the public is associated with the Development: Other Voluntary Building Setbacks (as described in Section 1.B), as depicted on EXHIBIT D. The Owner may adopt reasonable rules and regulations regarding use of and access to such Public Benefit Improvements as are necessary to ensure the security of the users of the Public Benefit Improvements and the Development. The rules and regulations may not be inconsistent with the terms of this Agreement. A summary of the rules and regulations may be posted in visible locations in the Development.

Section 4. Closures. The Owner shall have the right to temporarily close or modify the Public Benefit Improvements for: construction; maintenance and repair; temporary use for private functions directly related to the Development or the Owner; the maintenance of safety or security for the Development or persons using the Development; or other circumstances beyond the Owner’s control.

Section 5. Binding Effect. An executed copy of this Agreement shall be recorded in the records of King County and the covenants hereof shall be deemed to attach to and run with the Property. The Owner agrees that terms of this Agreement shall be binding on and benefit the Owner during the term of its ownership and subsequent to its ownership this Agreement shall be binding on and benefit its successors, heirs, and assigns.

Section 6. Modification. This Agreement may be amended or modified by mutual agreement between the City and Owner, according to the following procedure. Minor changes to this Agreement may be approved by SDOT, if the approved change is consistent with the purpose and intent of the conditions in the Council Vacation Decision. Any major changes to this Agreement, as reasonably determined by SDOT, shall require approval by the City Council by resolution or ordinance. SDOT shall provide the Owner with notice and the opportunity to

comment on whether a change is considered minor or major, prior to SDOT making that determination.

Section 7. Enforcement. This Agreement is made for the benefit of the City and the public. The City may institute and prosecute any proceeding in law or in equity to enforce this Agreement.

Section 8. Insurance. Upon the effective date of the vacation ordinance, the Owner shall provide and thereafter maintain in full force and effect, commercial general liability insurance providing for a limit of not less than \$1,000,000 per occurrence for damages arising out of bodily injuries or death. The insurance policies obtained shall be issued by companies authorized to conduct business in Washington State and shall name the City as an additional insured. Owner shall provide evidence of insurance to the City Risk Manager at the City's reasonable request.

Section 9. Indemnity. Owner hereby covenants and agrees to defend, indemnify, and hold harmless the City of Seattle, its officials, officers, employees, and agents from all liabilities, claims, causes of action, judgments, or expenses, including reasonable attorney fees and necessary litigation expenses, resulting from any actual or alleged bodily injury (including death) or actual or alleged damage to property arising out of or in connection with the use or occupation of the Public Benefit Improvements during the term of its ownership. Upon any transfer of ownership, this obligation will be binding on successors and assigns. The indemnification obligations under this Agreement do not apply to any liabilities, claims, causes of action, judgments or expenses resulting from bodily injury or property damage caused by the negligence or intentional acts of the public or the City, or its officers, employees, elected officials, agents or subcontractors.

Section 10. Reservation. The Owner reserves the right to use the Public Benefit Improvements for any purpose that does not materially interfere with the public's use of the Public Benefit Improvements, including but not limited to the right to use the Public Benefit Improvements as described in Sections 1 and 3 of this Agreement and the right to grant easements within the Development, provided the easements do not unreasonably interfere with the public's use of the Public Benefit Improvements.

Section 11. No Dedication. Notwithstanding the covenants contained in this Agreement, nothing in this Agreement shall constitute a public dedication of any portion of the Property, Development, or Public Benefit Improvements.

Section 12. Severability. It is expressly agreed that in the event any covenant or condition or restriction in this instrument or any portion thereof is invalid or void, such invalidity or voidness shall in no way affect any other covenant, condition, or restriction.

SIGNED this 28 day of June, 2016.

Acorn Development LLC
a Delaware limited liability company

By: [Signature]
Its: Vice President

STATE OF WASHINGTON }
COUNTY OF KING } ss.

On this day personally appeared before me John Schoettler, to me known to be the Vice President, of Acorn Development LLC, a Delaware limited liability company that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such limited liability company, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this 28 day of June, 2016.

[Signature]
Printed Name Ashley Sherwood Park

NOTARY PUBLIC in and for the State of
Washington, residing at Seattle, Washington

My Commission Expires 2-26-19

Exhibit A

Legal Description of Acorn Development LLC Property (Block 14)

ALL OF 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 VOLUME 1 OF PLATS, PAGE 103, RECORDS OF KING COUNTY, WASHINGTON;

EXCEPT THOSE PORTIONS CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NUMBER 36118 AND KING COUNTY SUPERIOR COURT CAUSE NUMBER 193437 AS PROVIDED BY ORDINANCE NUMBERS 7733 AND 50890 OF THE CITY OF SEATTLE.

SITUATE IN THE CITY OF SEATTLE, COUNTY OF KING, STATE OF WASHINGTON.

Exhibit B

Legal Description of Alley to be Vacated (CF 312260)

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. THE BLOCK IS BOUNDED BY WESTLAKE AVENUE, VIRGINIA STREET, 6TH AVENUE, LENORA STREET, AND 7TH AVENUE.

Exhibit C

Public Benefit Improvements

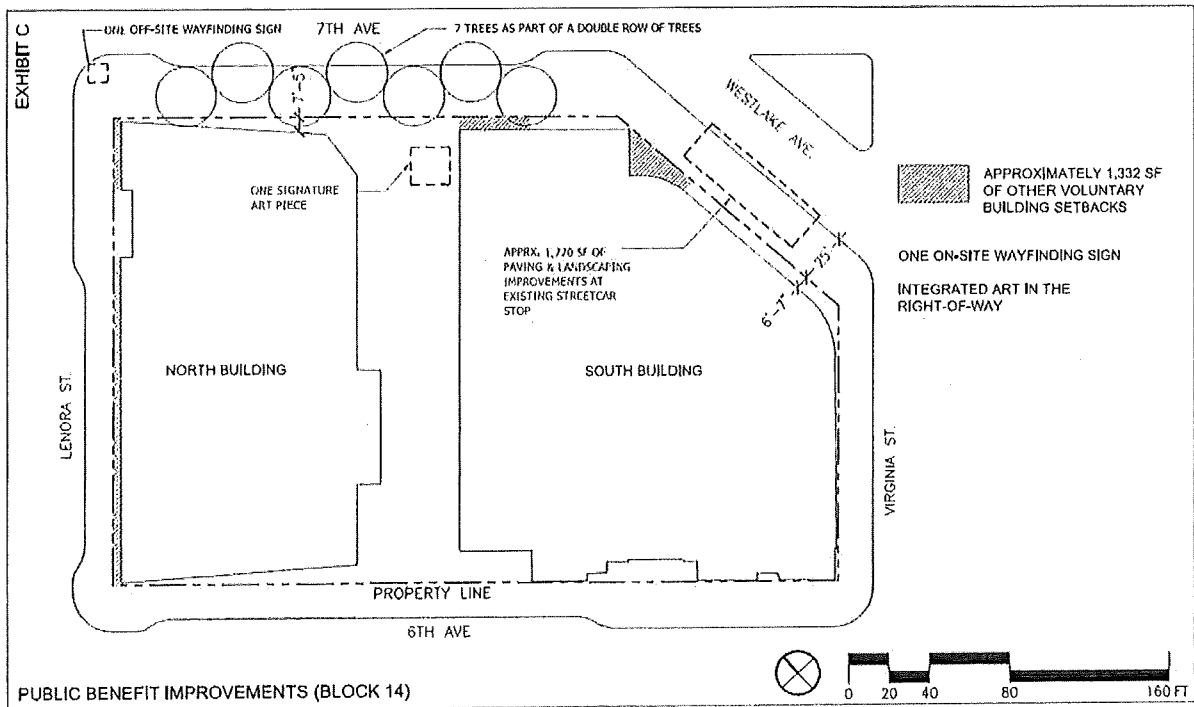
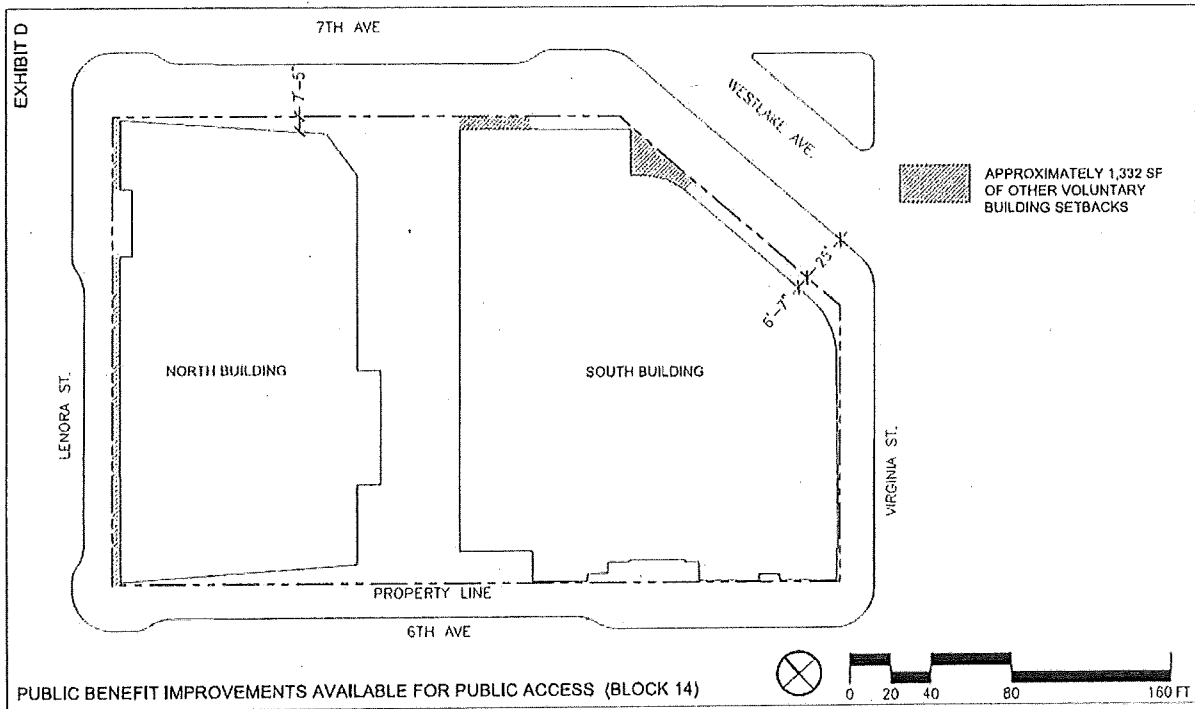


Exhibit D

On-site Public Benefit Improvements Available for Public Access



SUMMARY and FISCAL NOTE

Department:	Contact Person/Phone:	Executive Contact/Phone:
Seattle Department of Transportation	Amy Gray/386-4638	Christie Parker/684-5211

1. BILL SUMMARY

Legislation Title: AN ORDINANCE vacating the alley in Block 14, Heirs of Sarah A. Bell's Addition, bounded by Westlake Avenue, Virginia Street, 6th Avenue, Lenora Street, and 7th Avenue, on the petition of Acorn Development LLC (Clerk File 312260).

Summary and background of the Legislation: The Petitioner sought the vacation for the alley bounded by Westlake Avenue, Virginia Street, 6th Avenue, Lenora Street, and 7th Avenue to consolidate property on both sides of the vacated alley into one development site. A consolidated property facilitates the development of the office towers and provides flexibility to move the buildings around the site to create more open space than would be provided without the vacation, and to orient the buildings to maximize light, and to develop an efficient below-grade parking structure and service spaces. Following a September 25, 2012 public hearing on the petition, the City Council conditionally granted the petition. This legislation completes the vacation process.

2. CAPITAL IMPROVEMENT PROGRAM

☐ This legislation creates, funds, or amends a CIP Project.

3. SUMMARY OF FINANCIAL IMPLICATIONS

☒ This legislation does not have direct financial implications.

4. OTHER IMPLICATIONS

a) Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?

This legislation does not accept or appropriate funds. The Seattle Department of Transportation received a vacation fee of \$5,181,000 on January 8, 2015, at which time 50 percent was deposited in the CRS Unrestricted Subaccount and 50 percent in the CRS Street Vacation Subaccount.

b) Is there financial cost or other impacts of not implementing the legislation?

The vacation petition, already approved by the Seattle City Council, obligates the City to complete the vacation process, provided that the Petitioner meets all the conditions imposed by the City Council. The Petitioner has met all the conditions. By not implementing this legislation, the City could be in violation of its obligations, which could have financial implications.

c) Does this legislation affect any departments besides the originating department?

No. As part of the initial vacation review process, all interested departments were notified of the vacation petition and asked to comment. Any identified issues were resolved prior to the approval of this final legislation.

d) Is a public hearing required for this legislation?

No.

e) Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

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?

Yes, it completes the alley vacation of right-of-way.

h) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?

There are no perceived RSJI implications of this piece of legislation.

i) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.

This legislation is not a new initiative nor a major programmatic expansion.

j) Other Issues:

N/A

List attachments/exhibits below:

Summary Attachment A – Block 14 Alley Vacation Area Map

Petitioner:
Acorn Development LLC

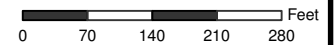
Clerk File:
312260

Right-of-way:
Alley in Block 14
Heirs of Sarah A Bell

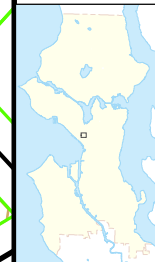


Vacation area
5760 sf

- Parcels
- Building Outlines
- Parks



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Produced by the Seattle
Department of Transportation
No warranties of any sort,
including accuracy, fitness or
merchantability, accompany
this product.



Coordinate System:
State Plane, NAD83-91,
Washington, North Zone
Orthophoto Source:
Pictometry

PLOT DATE : Date: July 2016
AUTHOR : St Use St Vacation



Block 14 Heirs of Sarah A. Bell's Addition Alley Vacation

STATE OF WASHINGTON -- KING COUNTY

--SS.

345054

No. 22,23,24

CITY OF SEATTLE, CLERKS OFFICE

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:ORDINANCE 125219,20,21

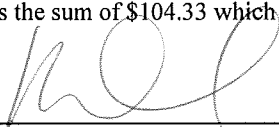
was published on

01/10/17

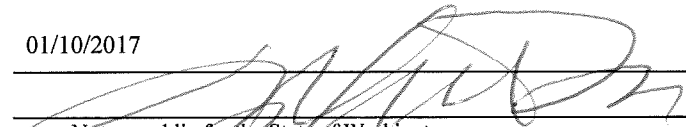
The amount of the fee charged for the foregoing publication is the sum of \$104.33 which amount has been paid in full.



Affidavit of Publication


Subscribed and sworn to before me on

01/10/2017


Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

The full text of the following legislation, passed by the City Council on October 3, 2016, and published below by title only, will be mailed upon request, or can be accessed at <http://seattle.legistar.com>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>.

Ordinance 125219

AN ORDINANCE vacating the remaining north 40 feet of the alley in Block 18, being the remaining portion of the alley in the block lying between East Cherry Street on the north and East Jefferson Street on the south, the alley being located approximately 140 feet west of 12th Avenue, on the petition of Seattle University (Clerk File 305367).

Ordinance 125220

AN ORDINANCE relating to street and sidewalk use; amending Section 11.40.250 of the Seattle Municipal Code to authorize the Play Street program as an allowable use of the public place.

Ordinance 125221

AN ORDINANCE relating to the Department of Parks and Recreation and the Office of the Waterfront; authorizing submission of application(s) for grant funding assistance for a Boating Facilities Program project (Pier 62 Boat Dock) to the State's Recreation and Conservation Funding Board as provided in chapter 79A.25 RCW and WAC 286; authorizing acceptance of the grant if awarded; authorizing entry into a project agreement if the grant is awarded; and ratifying and confirming certain prior acts.

Ordinance 125222

AN ORDINANCE relating to residential rental properties; amending Sections 7.24.020, 7.24.030, 7.24.040, 7.24.050, 7.24.060, 7.24.070, and 7.24.080 of the Seattle Municipal Code (SMC); adding new Sections 7.24.035, 7.24.036, 7.24.038, 7.24.110, 7.24.120, 7.24.130, 7.24.140, 7.24.150, 7.24.160, 7.24.170, 7.24.180, 7.24.190, 7.24.200, and 7.24.210 to the SMC; and repealing Section 7.24.090 of the SMC; all to limit the amount of security deposits and non-refundable move-in fees, to allow residential tenants to pay security deposits, non-refundable move-in fees, and last month's rent in installments, and to establish enforcement provisions for Chapter 7.24.

Ordinance 125223

AN ORDINANCE vacating the alley in Block 14, Heirs of Sarah A. Bell's Addition, bounded by Westlake Avenue, Virginia Street, 6th Avenue, Lenora Street, and 7th Avenue, on the petition of Acorn Development LLC (Clerk File 312260).

Ordinance 125224

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

Date of publication in the Seattle Daily Journal of Commerce, January 10, 2017.

1/10(345054)