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CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

..title

AN ORDINANCE relating to the funding, operations, and management for Central Waterfront improvements; identifying philanthropic funding for construction and operations and maintenance and safety and security of public spaces on the Central Waterfront; identifying a timeline for philanthropic fundraising and contributions; authorizing the Seattle Department of Transportation and the Department of Parks and Recreation to execute a two-year pilot agreement in preparation for a long-term agreement with Friends of Waterfront Seattle to operate and manage public spaces on the Central Waterfront; dissolving the Central Waterfront Steering Committee; and creating the Central Waterfront Oversight Committee.

..body

WHEREAS, in January 2011, the Seattle City Council (Council) adopted Resolution 31264, creating the Central Waterfront Committee (CWC) to oversee development of the waterfront conceptual design and framework plan, ensuring robust and innovative public engagement, identifying public and private funding sources, and establishing the foundation for a lasting civic partnership; and

WHEREAS, in that same resolution, the Council directed the implementation of the Central Waterfront Initiative according to the Central Waterfront Guiding Principles; and

WHEREAS, in that same resolution, the Council directed the implementation of the Central Waterfront Improvements to, among other things, engage the entire city, remain focused on public uses and activities that attract people from all walks of life, and provide a “waterfront for all,” as articulated in the Central Waterfront Guiding Principles; and

WHEREAS, in August 2012, the Council adopted Resolution 31399, which endorsed the Central Waterfront Concept Design and Framework Plan, developed following broad and inclusive public engagement over two years; and

1 WHEREAS, Resolution 31399 endorsed the CWC’s Strategic Plan, which established a funding
2 plan and set of action steps to implement improvements to Seattle’s Central Waterfront,
3 including endorsement of a funding strategy which called for leveraging a mix of public,
4 private, and philanthropic sources to achieve the public’s vision for the Central
5 Waterfront; and

6 WHEREAS, through Resolution 31399, the Council recognized that other cities had successfully
7 established relationships with non-profit organizations to provide consistent management
8 of complex public spaces, and the Strategic Plan recommended developing such
9 relationships; and

10 WHEREAS, through Resolution 31399, the Council supported the creation of the non-profit
11 Friends of Waterfront Seattle (Friends) to advocate for implementing the Central
12 Waterfront Framework Plan and Concept Design; and

13 WHEREAS, Friends was incorporated in 2012 to champion the “Waterfront Seattle” Program
14 through outreach initiatives, to raise the funds necessary to complete its construction and
15 to ensure the Central Waterfront Improvement Program’s long-term success as a vibrant
16 public park through ongoing maintenance and programming; and

17 WHEREAS, in March 2014 the CWC recommended the City consider contracting with a non-
18 profit organization to perform a range of services for the renovated Central Waterfront,
19 including operations and maintenance and safety and security; and

20 WHEREAS, in August 2014, Seattle voters approved creation of the Seattle Park District, and
21 funds collected by the District pay for operations and maintenance of Seattle parks,
22 including an annual \$3.5 million budget with cost inflation dedicated to operations and
23 maintenance of the Central Waterfront parks and public spaces; and

1 WHEREAS, the City has a history of working successfully with non-profit entities to program
2 and activate public spaces in a way that increases access, vibrancy, and safety for all
3 users; and

4 WHEREAS, since July 2015, Friends, with financial support in part from the City, has
5 implemented a pilot program to provide programming and activation along certain
6 sections of the Central Waterfront, engaging more than 40,000 people in free public
7 programming on the Central Waterfront; and

8 WHEREAS, in September 2016, the City and Friends entered into a joint funding agreement
9 (Funding Agreement) to construct the Pier 62 Phase 1 Rebuild, in which Friends
10 committed to contributing \$8 million of the total capital cost of the project, which Friends
11 has now successfully raised; and

12 WHEREAS, in the Funding Agreement, the City and Friends indicated their intent to enter into
13 an Operating Agreement for the Operations, Maintenance and Programming of the
14 renovated Pier; and

15 WHEREAS, the City recognizes the unprecedented public and private investment, including a
16 \$160 million Local Improvement District and \$110 million philanthropic contribution, in
17 the design, planning, and construction of the Central Waterfront Improvements and
18 recognizes the need to identify and fund an operations and maintenance and safety and
19 security program that protects and enhances this investment and ensures new public
20 spaces will be safe, well-maintained and inviting to the public over the long term; and

21 WHEREAS, in September 2017, the Council adopted Resolution 31768, in which the City stated
22 its intent to work with Friends to reach an agreement for the long-term provision of high-
23 quality operations and management services commensurate with the quality of

1 programming envisioned in the public planning for the waterfront and as reflected in the
2 improvements included in the Central Waterfront Improvement Program; and

3 WHEREAS, in that resolution, the City stated its expectation that any future agreement with
4 Friends would include a scope of work that identifies a standard of care commensurate
5 with the Waterfront Seattle investment and in which all maintenance activities shall be
6 provided by a dedicated and consistent team of Department of Parks and Recreation staff
7 working in partnership with Friends; and

8 WHEREAS, the City, consistent with Resolutions 31399 and 31768, seeks to work with Friends
9 to further define a joint management approach to protect public and private investment by
10 providing operations, management, and programming services to the Central
11 Waterfront; and

12 WHEREAS, it is the City’s intent for this joint management approach to apply to the parks and
13 open spaces created as part of the Central Waterfront Improvement Program, the
14 implementation of which relies on the complete funding of the program, including the
15 passage of the Local Improvement District; and

16 WHEREAS, given the phased completion of the Central Waterfront area that will occur from
17 2020 and beyond, it is desired to establish a two-year pilot agreement (Pilot Agreement)
18 with Friends that will govern the operations, management and programming services for
19 Pier 62, which may include portions of Waterfront Park where Friends currently provides
20 summer programming; and

21 WHEREAS, it is anticipated that a long-term agreement (Management Agreement) will be
22 developed and approved at the end of the two-year period, covering the entire completed
23 Waterfront area; and

1 WHEREAS, the Pilot Agreement will provide helpful information for development of the
2 Management Agreement; and

3 WHEREAS, the Oversight Committee established in Section 5 of this ordinance will be
4 responsible for reviewing and providing input on the Management Agreement, prior to its
5 submittal to Council for review and approval; and

6 WHEREAS, Friends and City staff shall provide to the Civic Development, Public Assets &
7 Native Communities Committee a briefing on the Pilot Agreement prior to its execution
8 and Council shall review and provide feedback, specifically on public benefits, at that
9 time; and

10 WHEREAS, any future Management Agreement shall be subject to Council approval; and

11 WHEREAS, the City shall separately pursue a Memorandum of Understanding with Friends of
12 Waterfront Seattle and the Pike Place Market Public Development Authority to determine
13 the operations and maintenance for the Overlook Walk and all associated buildings and
14 open spaces, which shall be submitted to Council for its consideration following
15 completion of the Overlook Walk 60 percent design milestone; and

16 WHEREAS, the Mayor and Council wish to express their appreciation for the extensive
17 volunteer efforts of the Central Waterfront Steering Committee, as well as the
18 Committee’s invaluable advice and leadership in supporting the City’s efforts to design,
19 develop, and manage new public spaces on the Central Waterfront; NOW, THEREFORE,

20 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

21 Section 1. Friends of Waterfront Seattle (Friends) shall be responsible for and use its
22 good faith best efforts to secure \$110 million of commitments and collect on pledges from
23 private individuals, corporations, foundations, and other non-City sources to contribute to the

1 construction of the Central Waterfront parks and public spaces per the contribution schedule
2 found in Attachment A to this ordinance. The \$110 million is inclusive of \$8 million previously
3 committed to the City for the Pier 62 rebuild. Any costs of financing Friends may need in order
4 to ensure timely payments to the City shall be borne by Friends and will not reduce the amount
5 of any payment due to the City. Generally, all funding raised by Friends for the Central
6 Waterfront parks and public spaces shall be provided through Friends.

7 No later than March 31, 2019, Friends shall submit to the City Budget Director for his or
8 her review and approval its plan (Fundraising Plan) for raising the remaining \$102 million in
9 private funds. Friends also shall annually, no later than October 1 of the year prior to any year
10 which Friends is committed to provide funds, update the Fundraising Plan, and submit such
11 updates to the Budget Director for his or her review and approval. The Fundraising Plan shall
12 include annual targets for amounts to be raised and pledges secured; sequential solicitation
13 strategies; recognition opportunities for specific Central Waterfront parks and public spaces
14 elements; assumptions as to when pledge payments shall be made; collection strategies and
15 internal resources needed to secure pledges sufficient to meet the fundraising schedule; a
16 proposed progress reporting mechanism to provide quarterly updates to the City on
17 accomplishment of fundraising milestones; financing arrangements in place or under
18 development to ensure the timely availability of funding as needed to meet Friends' obligations
19 to provide funds consistent with the attached schedule; and any other issues the parties mutually
20 agree to include in the Fundraising Plan. The basic information to be included in such
21 Fundraising Plan and subsequent annual updates shall be summarized as reflected in the form of
22 the Fundraising Plan and Reporting Schedule found in Attachment B to this ordinance.

1 Friends’ donor pledges may be reviewed by the City Budget Director upon request under
2 mutually agreed procedures to protect the confidentiality of donors’ and Friends’ donor
3 information as permitted by law.

4 Section 2. The Director of the Office of the Waterfront and Civic Projects, the Director of
5 Transportation, and the Superintendent of Parks and Recreation and/or their respective designees
6 are jointly authorized to negotiate and, with approval from the Mayor, authorized to execute for
7 and on behalf of the City of Seattle a two-year pilot agreement (Pilot Agreement) with Friends
8 that shall govern the operations, management, and programming services for the completed Pier
9 62, and may also include portions of Waterfront Park where Friends currently provides summer
10 programming. This agreement shall be negotiated by the City and Friends and include at a
11 minimum the terms found in Attachment C to this ordinance. The Pilot Agreement shall be
12 submitted to City Council for its review.

13 A. The Pilot Agreement shall be consistent with the Central Waterfront Guiding
14 Principles, articulated in Attachment D to this ordinance, with the goal of creating a “waterfront
15 for all.” In particular, the Pilot Agreement shall ensure the new waterfront public spaces shall be
16 open to the public and publicly accessible, be democratic and inclusive in their character, and be
17 managed to:

- 18 • Encourage use by people of all ages, incomes, and abilities;
- 19 • Support free expression;
- 20 • Provide the public with access to high-quality and safe parks and recreation,
21 enhanced by regular programming, concessions that support the public’s use and
22 enjoyment of the Central Waterfront, and free public access to civic and cultural
23 events; and

- 1 • Provide living wage jobs associated with operating and maintaining waterfront
- 2 parks and public spaces for local residents regardless of their age, ethnicity,
- 3 gender, or sexual orientation.

4 To further these goals, the Pilot Agreement shall include requirements for regular public

5 activities and activation events which shall be open to the general public without a fee being

6 charged and shall be marketed to underserved communities. Friends shall be authorized to host

7 revenue generating events in order to support its ability to provide these activities free of charge.

8 B. The Pilot Agreement is anticipated to commence in 2019 and shall have a maximum

9 term of two years. At the end of the Pilot Agreement, the City anticipates that a long-term

10 agreement (Management Agreement) with Friends shall be developed with review and input by

11 the Oversight Committee established in Section 5 of this ordinance. The Management

12 Agreement shall be submitted to the City Council for review and approval.

13 In the event Friends is unable or unwilling to perform its duties hereunder, the City shall,

14 with the advice of the Oversight Committee, designate a substitute operating partner (Operating

15 Partner).

16 C. The Pilot Agreement shall include funding from the Seattle Park District of \$310,000

17 in 2019 and \$315,250 in 2020.

18 D. Friends shall provide all additional funds necessary to provide programming and

19 activation that complements the Department of Parks and Recreation’s (DPR) operations and

20 encourages public use of the parks, consistent with the scope of work under the agreement. All

21 funds derived from revenue generation by Friends in the parks and public spaces subject to the

22 Pilot Agreement (and thereafter, if applicable, the Management Agreement) shall be applied

23 towards programming and activation in the areas covered by the agreement.

1 E. The Pilot Agreement shall identify preconditions to Friends’ capacity to operate the
2 area covered by the plan, including but not limited to staffing requirements, facility or technical
3 staff capacity that must be in place, and funding required to ensure initial operations.

4 F. The Pilot Agreement shall include provisions requiring DPR to retain the
5 responsibility to regulate the permitting of, and maintain responsibility for, all free speech
6 activities and events in the areas covered by the plan. DPR and Friends shall closely coordinate
7 permitting of events with the goal of accommodating public access seamlessly. Pursuant to
8 further authorization from the City, DPR may delegate its responsibility to regulate the
9 permitting of, and maintain responsibility for, all free speech activities and events in the areas
10 covered by the plan.

11 G. Recognizing that the future waterfront parks and public spaces (including Pier 62) are
12 designed to accommodate large events and are intended to be actively programmed and managed
13 by Friends (or the Operating Partner), the City shall evaluate Seattle Municipal Code Chapter
14 15.52 (SMC 15.52) as it relates to the current Seattle Special Event Committee policies and
15 make recommendations to amend the chapter to consider providing direct input and approval by
16 Friends (or the Operating Partner) for permits in the areas covered by the agreement. If deemed
17 necessary, then the Executive will submit legislation to the Council amending SMC 15.52
18 accordingly.

19 H. For non-First Amendment events, the City shall delegate to Friends (or the Operating
20 Partner) the permitting process (including review, approvals, and fees) for the areas covered by
21 the agreement. Any fee revenues generated from such events shall be applied towards
22 programming and activation in the areas covered by the agreement.

1 I. The Pilot Agreement shall require Friends to provide an annual report in a format
2 approved by DPR and the Seattle Department of Transportation (SDOT) on outcomes,
3 measurements, and assessments of activation and programming services including, but not
4 limited to:

- 5 1. A summary of programs and activities;
- 6 2. Detailed revenue, costs and expenditures, and budgetary forecasts;
- 7 3. Participation by underserved communities;
- 8 4. Community surveys or other feedback tools;
- 9 5. Measurements to indicate the levels of participation in events and activities;
- 10 6. Conformance with the Performance Standard, as described in Section 5 of this

11 ordinance, once in place;

12 7. Intended targets for Women- and Minority-Owned Business Enterprises
13 (WMBE) contracts, vendors, and concessions, as well as including actual outcomes regarding
14 those targets; and

15 8. A summary of implementation of labor harmony protocols as described in
16 Attachment C.

17 The first annual report shall be due in February of the year after the approval of the Pilot
18 Agreement.

19 Section 3. In addition to the Pilot Agreement, DPR and SDOT shall, upon approval of the
20 Mayor, submit legislation to the City Council establishing a Park Boulevard, or Park Boulevards
21 in the parks and public spaces not already under DPR jurisdiction, as depicted in Attachment E
22 to this ordinance (the “Park Boulevard Legislation”), and the Park Boulevard Legislation shall be
23 adopted and signed into law prior to the execution of the Management Agreement.

1 Section 4. The City anticipates entering into a Management Agreement with Friends, or
2 their successor (interchangeably referred to as the Operating Partner herein) at the conclusion of
3 the Pilot Agreement. This Management Agreement shall be informed by the Pilot Agreement and
4 comply with the Term Sheet described in Attachment C to this ordinance. Maintenance of the
5 parks and public spaces shall be the responsibility of the City, primarily through DPR or its
6 designee or successor, and shall be carried out in accordance with the Waterfront Seattle
7 Operations and Maintenance Report prepared by ETM Associates, L.L.C. and dated July 2018
8 (ETM Report) and the Performance Standard. The Operating Partner shall be responsible for the
9 operations and programming of the parks and public spaces pursuant to the conditions described
10 herein. The City and Operating Partner shall provide that the operations and programming of the
11 parks and public spaces shall be conducted in accordance with the Performance Standard.

12 A. The area to be covered by the Management Agreement shall be substantially similar to
13 the parks and public spaces as described in Attachment E to this ordinance (Waterfront Park and
14 Public Spaces).

15 B. The City, in consultation with the Oversight Committee, shall assess the readiness of a
16 prospective Operating Partner prior to entering into a Management Agreement. Such
17 requirements shall include but not be limited to:

- 18 1. Successful management of Pier 62 under Friends’ two-year pilot agreement
19 with the City;
- 20 2. Financial stability, including reasonably sufficient and funded operating
21 reserves;
- 22 3. Overall operating and capital budgets reasonably acceptable to the City;

1 4. Staffing plans, including appropriately credentialed and experienced leadership
2 and management personnel;

3 5. Successful relationships with the Office of the Waterfront and Civic Projects
4 (OWCP), DPR, SDOT, the Oversight Committee and relevant third-party stakeholders including
5 the Downtown Seattle Association/Metropolitan Improvement District (DSA/MID), the Pike
6 Place Market Public Development Authority (PPMPDA), the Alliance for Pioneer Square, the
7 Seattle Historic Waterfront Association and the Seattle Aquarium Society (SEAS); and

8 6. Successful adoption of labor harmony protocols and implementation of area
9 standard wages and benefits, as described in Attachment C.

10 If the assessment of readiness is positive or any shortcomings can be addressed in a
11 Management Agreement, the City shall negotiate a Management Agreement with such
12 prospective Operating Partner.

13 C. It is anticipated that future City funding for the Management Agreement will come
14 from Seattle Park District funds, the Department of Parks and Recreation (DPR) operations and
15 maintenance budget that had been previously allocated to Pier 62 and Waterfront Park, the City’s
16 general fund support and commercial parking taxes and shall be sufficient to provide a high-
17 quality, consistent level of operations and maintenance and safety and security. Based on the
18 ETM Report, the City has determined that, as of 2023 when the Waterfront Park and Public
19 Spaces are completed, baseline funding (Baseline Funding) in the amount of \$4.8 million will be
20 needed for operation and maintenance and safety and security of the Waterfront Park and Public
21 Spaces. Consequently, the City shall include in the City’s annual budget and in the City’s annual
22 budget requests for Seattle Park District funding, Baseline Funding for the operation and
23 maintenance of the Parks and Public Spaces in the total amount of \$4.8 million annually

1 beginning in 2023, which shall increase annually by no less than 2.5 percent consistent with the
2 Seattle Park District Financial Plan (as to the Seattle Park District component of the funding) and
3 otherwise with the City’s annual budget.

4 Funding for the programming and implementation of events and activities in the Parks
5 and Public Spaces, as well as any additional maintenance activities required for special events
6 not covered in the Management Agreement, shall be the separate responsibility of the Operating
7 Partner and shall not be funded from Baseline Funding.

8 In the case of a significant economic downturn, Baseline Funding in any Fiscal Year shall
9 also be governed by and subject to the following fiscal emergency provisions. For purposes of
10 this Agreement, a "fiscal emergency" shall arise when the annual growth rate of inflation-
11 adjusted total City General Fund Revenue is reasonably forecast to be negative at the time of
12 adopting the City’s upcoming annual budget. Seattle Area Consumer Price Index for Urban
13 Wage and Clerical Workers (CPI-W) is the measure of inflation.

14 In the event of a fiscal emergency, the Baseline Funding and inflationary adjustment can
15 be reduced from the amount provided the previous year by up to the percentage decline in
16 expected General Fund revenue or by 5 percent, whichever is less. In subsequent years when the
17 fiscal emergency criterion no longer applies, the Seattle Park District portion of the Baseline
18 Funding shall be increased annually from the prior year's amount by no less than 2.5 percent
19 (consistent with the Seattle Park District’s planned escalation).

20 To the extent Seattle Park District funds are needed to fund Baseline Funding in any
21 given year, such amounts of the Baseline Funding shall be included in annual City budget
22 requests for District funding. For each District planning cycle, beginning with the cycle that
23 includes 2021 through 2026, the City shall include the District’s projected year-by-year share of

1 the Baseline Funding in the proposed spending plan it submits to the District and the District's
2 plans going forward shall incorporate such Baseline Funding amounts recommended by the City.

3 The Management Agreement shall provide that, in any year in which the City fails to
4 appropriate budgeted Baseline Funding as required under this ordinance, except for temporary
5 reductions as provided herein, the Operating Partner may terminate such Agreement or suspend
6 its performance under such Agreement until full Baseline Funding is restored. Similarly, in any
7 year in which the Operating Partner cannot perform its duties or provide the financial support
8 contemplated in this Agreement, the City may terminate or suspend the Management Agreement.

9 D. DPR, in consultation with OWCP, the Oversight Committee and the Operating
10 Partner, shall include the Waterfront Park and Public Spaces within its annual park inspection
11 program. The results of such inspections, together with projected needs or recommendations
12 reflected in annual reviews by the Oversight Committee, shall form the basis for a rolling
13 ten-year capital replacement and investment plan, which shall inform budget recommendations
14 to be made by DPR, SDOT, and OWCP regarding capital replacements and investments for
15 inclusion in the City's five-year capital improvement program for the appropriate City
16 department.

17 E. The Management Agreement shall require corrective action to address deficiencies in
18 the performance of the Operating Partner identified in annual performance evaluations or
19 otherwise. Such corrective action shall include specific measures needed to address identified
20 deficiencies. If necessary, the City, with the advice of the Oversight Committee, shall have the
21 opportunity to reduce the scope of the Operating Partner's responsibilities, including termination
22 of its Management Agreement. Supporting or successor Operating Partners should be required

1 to demonstrate readiness to assume some or all of the responsibilities contemplated under the
2 Management Agreement.

3 F. Safety and security of the Waterfront Park and Public Spaces shall be the joint
4 responsibility of both the Operating Partner and the City. As part of the City’s Baseline Funding,
5 it shall fund and implement a public safety and security strategy such that the Waterfront Park
6 and Public Spaces shall at all times be maintained and operated in a way that ensures the safety
7 and comfort of all visitors to the Waterfront Park and Public Spaces and provides for the
8 satisfaction of the Performance Standard. To that end, the Park Rules shall be posted in
9 prominent areas and safety personnel shall be hired and/or funded in order to ensure that Park
10 Regulations are enforced and the Performance Standard is satisfied.

11 G. The rules codified in Seattle Municipal Code Chapter 18.12 relating to the operation
12 of City parks (including the Waterfront Park and Public Spaces) and including any
13 administrative rules adopted in relation thereto, including Multi-Departmental Administrative
14 Rule 17-01 (Park Rules) and Department of Parks and Recreation Rule/Policy number P 060
15 7.21.00 or its successor rule or policy (Code of Conduct) (collectively, the Park Regulations)
16 shall be posted and enforced in the Waterfront Park and Public Spaces.

17 If DPR or the City intends to propose any modifications to the Park Regulations, or
18 adoption of special park rules for the Waterfront Park and Public Spaces (whether through
19 rulemaking or other action of the DPR Superintendent), the City shall consult with the Oversight
20 Committee regarding any such new or modified Park Regulations prior to publication for public
21 comment.

22 Section 5. There is established the Central Waterfront Oversight Committee (Oversight
23 Committee). This Committee shall advise and provide feedback to the City and Operating

1 Partner on the operations and maintenance and safety and security of the Waterfront Park and
 2 Public Spaces that shall include maintenance, public safety, outreach, communications,
 3 partnerships, and programming and activation. The Committee shall help ensure there is clear
 4 planning, coordination, and delivery of high-quality, public space management services, broad,
 5 inclusive programming and activation and a safe and inviting environment for pedestrians and
 6 visitors. The Committee shall also review and provide input on the Management Agreement that
 7 shall be developed between the City and Operating Partner. The Central Waterfront Steering
 8 Committee established by Resolution 31543 is dissolved, and this ordinance supersedes
 9 Resolution 31543. The Oversight Committee shall exist and fulfill its duties hereunder for a
 10 period of not less than 20 years.

11 A. The Committee shall consist of 19 appointed members, appointed to position
 12 numbers 1 through 19, and four ex officio members: the Directors of SDOT and OWCP, the
 13 DPR Superintendent, and the Seattle Police Department Chief of Police, or their successors.

14 Composition and appointment of the members shall be as follows:

<i>Representation</i>	<i>Position Number</i>	<i>Appointment</i>
Community At-Large Members	1-6	1, 3, and 5 by the Mayor; 2, 4, and 6 by City Council
<i>Those Within the LID Assessment Area</i>		
Residential Tenant	7	Mayor
Commercial Tenant	8	City Council
Owner of a Hotel Property	9	Mayor
Owner of a Condominium Property	10	City Council
Owner of a Residential Apartment Property	11	Mayor
Owner of an Office Property	12	City Council
Owner of a property on or within one block of Pike Street or Pine Street	13	Mayor

Owner of a Commercial / Retail Property	14	City Council
<i>Non-Profit With Expertise in Public Area Operations and Maintenance</i>		
Pike Place Market Public Development Authority	15	Executive Director (or designee)
Downtown Seattle Association / Metropolitan Improvement District	16	Chief Executive Officer (or designee)
Seattle Historic Waterfront Association	17	Executive Director (or designee)
Alliance for Pioneer Square	18	Executive Director (or designee)
Seattle Aquarium Society	19	Chief Executive Officer (or designee)

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 2 Positions 1-6 shall reside outside of the final local improvement district (LID) boundaries, as
 3 currently represented by the preliminary Central Waterfront LID Special Benefit Study and
 4 included in Attachment F to this ordinance, and shall include individuals with expertise and
 5 perspectives from the labor, environmental and broader Seattle community, with at least one
 6 member residing in Seattle City Council Districts 1, 2, 3, 4, 5, and 6. Positions 7-14 shall be
 7 located within the final LID boundaries.

8 B. Initial terms shall be three years for Positions 4-10 and two years for all others; all
 9 subsequent positions shall be two years, with the exception of Positions 15-19, which shall be
 10 permanent. Terms shall start by December 31, 2019. Any vacancy in an unexpired term shall be
 11 filled in the same manner as the original appointment. A member whose term is ending may
 12 continue serving on an interim basis as a member with voting rights until such time as a
 13 successor for that position has been appointed by the Mayor or City Council.

14 C. The Committee may select a chair or chairs from its membership, establish a meeting
 15 schedule, select and engage advisors to support its work, and otherwise establish procedures
 16 necessary to perform its functions. The Committee shall adopt bylaws that provide for

1 transparency in its procedures and operations, along with any other subject the Committee may
2 determine necessary and appropriate for its work.

3 D. Meetings shall be conducted consistent with the Open Public Meetings Act, chapter
4 42.30 RCW.

5 E. A member’s service on the Committee is voluntary and shall not be compensated other
6 than for reimbursement of expenses pursuant to Seattle Municipal Code Chapters 4.70 and 4.72.
7 The City shall explore providing on-site childcare and a transit subsidy to members of the
8 Committee.

9 F. The Oversight Committee shall have the following responsibilities:

10 1. OWCP, the Operating Partner, and DPR shall work with the Oversight
11 Committee to develop a detailed set of performance metrics collectively referred to as the
12 “Performance Standard,” for incorporation into the Management Agreement, and for use in
13 reviewing DPR and the Operating Partner’s performance annually and as otherwise provided
14 under this Ordinance. At a minimum, the Performance Standard shall be consistent with the
15 standard of care established in the ETM Report and shall incorporate the Parks Regulations. The
16 Performance Standard shall also be informed by best practices of national and local park assets
17 recognized for their operations and maintenance excellence (including Highline Park and Bryant
18 Park in New York and Millennium Park in Chicago), DPR’s existing Park Inspection Program,
19 the experience of the Operating Partner and DPR during the Pilot Agreement, and shall be used
20 as the basis for ongoing evaluation by the Oversight Committee of the operating performance of
21 DPR and the Operating Partner. The metrics in the Performance Standard shall include:

22 a. Levels of accessibility and use by communities from across the
23 city;

- 1 b. Measurements of public satisfaction and perception, including
- 2 public surveys and park utilization metrics such as male-female ratios;
- 3 c. Criteria for the cleanliness, safety, and repair of assets;
- 4 d. Public safety and security indicators that include, but are not
- 5 limited to, incident reports and Security Events, and the timeliness of the City in addressing Park
- 6 Regulations violations;
- 7 e Levels of social service outreach training provided to Waterfront
- 8 Park and Public Space employees and successful relationships with relevant social service and
- 9 programs;
- 10 f. Types and frequency of events;
- 11 g. Successful relationships with relevant third-party stakeholders
- 12 including community and neighborhood organizations from across the city, DSA/MID,
- 13 PMPDA, SEAS, and SDOT;
- 14 h. The provision of public benefits by the Operating Partner
- 15 consistent with the Management Agreement;
- 16 i. The timeliness with which any violations of Park Regulations are
- 17 resolved; and
- 18 j. Such other criteria as the Oversight Committee may recommend
- 19 (initially and over time) in consultation with the OWCP or its successor, the Operating Partner and
- 20 DPR.

21 The Performance Standard shall be established by the City in consultation with the

22 Oversight Committee no later than the completion and submission of the Management

23 Agreement to the City Council for its review and approval.

1 The Performance Standard shall be comprehensively reviewed every five years and
2 updated as appropriate. As part of this review the City shall hire a consultant to review the
3 Performance Standard as a tool for measuring success and make recommendations based, in part,
4 on national best practices. As part of the review, the consultant shall review and recommend any
5 necessary changes to the twenty-year capital investment forecast in the ETM Report. In the
6 period between each five-year comprehensive review, the Oversight Committee may recommend
7 modifications to the Performance Standard to reflect changed circumstances, experience in
8 managing the Waterfront Park and Public Spaces and best practices. Updates should take into
9 account experience in the operations and maintenance and safety and security of the Waterfront
10 Park and Public Spaces and reflect the evolution of best practices and discernible requirements
11 for successful operations and maintenance and safety and security of comparable park and public
12 space assets in other cities of comparable in scale, complexity and public use to the Waterfront
13 Park and Public Spaces.

14 2. The City and the Oversight Committee shall annually monitor security
15 incidents within the Waterfront Park and Public Spaces, including, without limitation, violations
16 of Park Rules, incidence of crimes (both misdemeanor and felony) and interaction records of
17 Park security personnel and the police (collectively, Security Events). If in any given year the
18 incidence of Security Events or crimes in the Waterfront Park and Public Spaces increases by
19 more than ten percent over the previous year (weighted in proportion to annual attendance to the
20 Waterfront Park and Public Spaces), the Oversight Committee may conduct a comprehensive
21 review of programming, security and outreach practices in the Waterfront Park and Public
22 Spaces and recommend strategies to the Mayor and City Council to address the situation.

1 3. The Oversight Committee may, from time to time, make recommendations to
2 the City and DPR regarding special park rules for the Waterfront Park and Public Spaces.

3 4. Operations and Maintenance Planning and Reporting.

4 a. DPR, in consultation with the Operating Partner and the Oversight
5 Committee, shall conduct an annual operations and maintenance planning process no later than
6 September 15 of each year for the succeeding year (Operations Plan). Such process shall include
7 (a) a comprehensive prospective annual operating and routine maintenance plan and budget; and
8 (b) identification of priority capital replacement investment needs aligned with the City’s budget
9 process such that relevant aspects of the plan may be reflected in the budget proposals of the
10 respective City departments. The process shall also include an updated ten-year rolling capital
11 replacement and investment plan reflective of the ETM Report, relevant experience and any
12 comprehensive reviews of the Performance Standard. The plans shall specify how the
13 Waterfront Park and Public Spaces will be operated and maintained in a manner consistent with
14 the Performance Standard.

15 b. DPR and the Operating Partner, in consultation with the Oversight
16 Committee, shall coordinate an annual reporting process based on the Performance Standard
17 measurements under which the Operating Partner, DPR and SDOT each report on their
18 performance of their respective responsibilities for operations and maintenance and safety and
19 security of the Waterfront Park and Public Spaces. In the case of DPR, reporting shall take the
20 form of the existing Park Inspection Program. Such reports shall include such data as the City
21 and the Operating Partner may reasonably determine necessary and appropriate for evaluating
22 each of their performances under the applicable annual plans and this Agreement.

1 c. OWCP or its successor, in consultation with DPR and the
2 Operating Partner, shall provide to the public an annual evaluation of operations and
3 maintenance and safety and security of the Waterfront Park and Public Spaces based on the
4 Performance Standard and shall review the evaluation with the Oversight Committee.

5 In the event any evaluation identifies areas for improvement, DPR and the Operating
6 Partner shall take reasonable steps to promptly identify and accomplish measures to address any
7 such deficiencies in forthcoming operations and maintenance and capital replacement and
8 investment planning and shall report these measures to the Oversight Committee for its review.
9 The Oversight Committee may recommend any corrective actions or reallocation of funding
10 between activities for the following year.

11 6. Beginning in 2020, the Oversight Committee shall provide an annual
12 report to the Mayor and City Council such that the City’s annual budgeting process may be well
13 informed about the status of operations and maintenance and safety and security of the
14 Waterfront Park and Public Spaces. Such reports shall include the findings from annual
15 evaluations of operations and maintenance, and safety and security by the Operating Partner,
16 DPR and SDOT and identification of any deficiencies found and corrective actions taken or
17 recommended.

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1 Section 6. This ordinance shall take effect and be in force 30 days after its approval by the
2 Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall
3 take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the _____ day of _____, 2019,
5 and signed by me in open session in authentication of its passage this _____ day of
6 _____, 2019.

7 _____
8 President _____ of the City Council

9 Approved by me this _____ day of _____, 2019.

10 _____
11 Jenny A. Durkan, Mayor

12 Filed by me this _____ day of _____, 2019.

13 _____
14 Monica Martinez Simmons, City Clerk

15 (Seal)
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- 1 Attachments:
- 2 Attachment A – Friends of Waterfront Seattle Contribution Schedule
- 3 Attachment B – Friends of Waterfront Seattle Fundraising Plan and Reporting Schedule
- 4 Attachment C – Central Waterfront Operations & Maintenance (O & M) Term Sheet
- 5 Attachment D – Central Waterfront Guiding Principles
- 6 Attachment E – Waterfront Park: Management Agreements and Park Boundaries
- 7 Attachment F – Waterfront Local Improvement District Preliminary Boundaries

Attachment A

Friends of Waterfront Seattle Contribution Schedule

Due Date ¹	12/31/18	12/31/19	12/1/20	12/1/21	12/1/22	12/1/23	12/1/24	TOTAL
Required Minimum Payments to City	2,700,000	5,300,000	7,500,000	21,125,000	42,000,000	23,200,000	8,175,000	110,000,000

¹ All annual payments are due during the final quarter of each year. Due dates are extended consistent with any material delay of the project construction start date (one month or longer) or material delays (one month or longer) during construction; delayed one month for each month of delay in the construction start date or during construction.

Attachment B

Friends of Waterfront Seattle Fundraising Plan and Reporting Schedule

Due Date ¹	Outstanding Pledges Secured	Pier 62 Payments to City	Required Minimum Payments to City	Projected Friends Available Funding	Amounts (if any) to be Financed
12/31/18		\$2,700,000			
6/30/19		\$3,650,000			
12/31/19		\$1,650,000			
12/1/20			\$7,500,000		
12/1/21			\$21,125,000		
12/1/22			\$42,000,000		
12/1/23			\$23,200,000		
12/1/24			\$8,175,000		
Total		\$8,000,000	\$102,000,000		

¹ All annual payments are due during the final quarter of each year. Due dates are extended consistent with any material delay of the project construction start date (one month or longer) or material delays (one month or longer) during construction; delayed one month for each month of delay in the construction start date or during construction.

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Attachment C

Central Waterfront Operations & Maintenance (O & M) Term Sheet

The following draft term sheet includes, but is not limited to, terms and conditions by the City and Friends that shall be incorporated in the Pilot Agreement and future Management Agreement for the Waterfront Park and Public Spaces, as identified in Attachment E. The Pilot Agreement shall cover the operations and maintenance (O&M) of Pier 62 and may also include portions of Waterfront Park where Friends currently provides summer programming. The Management Agreement shall cover the O&M of the Waterfront Park and Public Spaces and shall be approved by City Council. Where scope in the Pilot Agreement is determined by both parties to be of such a nature that dedicated staff members are not required by either party as described below due to the limited geography covered in the Pilot Agreement, both parties shall agree upon an appropriate FTE allocation.

Friends of Waterfront Seattle

1. Friends shall provide services necessary to carry out cultural, recreational and educational programming in the park and shall generally ensure free, open and public access to the Waterfront Park and Public Spaces. Friends shall be allowed to host a specified number of fundraising and ticketed events to provide revenue generation which shall support free public programming and operations of the Waterfront Park and Public Spaces.
2. Friends shall manage permitting and scheduling of activation, programming, concessions and vending, and events for those parks and public spaces covered by the agreement, excluding First Amendment expressive activities.

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3. Friends shall provide, either through in-house or contracted staff, sufficient personnel and general staffing necessary to promote and support the effective operation of all programs and events, including:
 - a. Operations
 - b. Hospitality
 - c. Concessions
 - d. Safety and Outreach
 - e. Event and Permitting Coordination for non-First Amendment expressive activities
4. Any in-house or contracting procured for the activities described in subsection 3 above that are funded from the Seattle Park District or any other City resource shall include provisions for area standard wages and benefits and shall also include labor harmony protocols. These requirements shall also apply to any promoter of any ticketed event requiring a Special Event Permit from the City's Special Events Committee.
5. Friends and the City shall develop an operating budget which includes public funding and private funding raised by Friends. All proceeds derived from revenue generation within the area governed by the agreement shall be applied towards programming and activation in that same area, and/or to fund O&M requests to City departments that would be additional to defined base level of O&M scope.
6. Recognizing the Waterfront Park and Public Spaces shall have a unique branding and visual identity, Friends shall create a Communications & Style Guide for the Waterfront Park and Public Spaces, subject to City input and approval, which shall be co-branded Friends and the City.
7. Friends shall have the ability to organize and lead volunteer programs, including maintenance, in coordination with DPR and subject to City labor requirements that are consistent with other City parks.

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8. Notwithstanding the benefits naturally occurring in public parks, Friends shall commit to a series of public benefits that shall:
 - a. Ensure programming and activation is representative of and directed towards underserved communities and that such programming and activation is actively marketed to underserved communities with free or reduced cost access provided to such communities.
 - b. Assure recruitment of underserved communities for concession and other vending opportunities
9. Friends, in consultation with DPR and the Oversight Committee, shall conduct an annual O&M planning process no later than September 15 of each year for the succeeding year. Such process shall include a comprehensive programming and activation plan and budget and shall specify how the spaces covered by the agreement will be operated and maintained in a manner consistent with the Performance Standard defined in Section 5 of this ordinance.
10. Friends, in consultation with DPR and the Oversight Committee, shall coordinate an annual reporting process based on the Performance Standard metrics under which Friends shall report on the performance of their responsibilities for programming and activation of the spaces covered by the agreement. Such reports shall include such data as Friends may reasonably determine necessary and appropriate for evaluating their performance under the applicable annual plans and the agreement. For the Pilot Agreement, these reports will include, but are not limited to:
 - a. A summary of programs and activities;
 - b. Detailed revenue costs and expenditures, and budgetary forecasts;
 - c. Participation by underserved communities;
 - d. Community surveys or other feedback tools, and measurements to indicate the

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levels of participation in events and activities; and

- e. An assessment of set aspirational targets for Women- and Minority-Owned Business Enterprises (WMBE) contracts, vendors, and concessions, as well as actual outcomes regarding those targets.

This report shall be reviewed by the Oversight Committee prior to submission to the City, who shall provide recommendations on annual spending allocations based on the prior year's performance. This feedback shall accompany the annual report and be presented jointly with City and Friends' leadership to the City Council each year.

11. Friends shall have a reasonable right of termination as recourse if there is significant and lasting breach of the terms of the agreement by the other party. This right shall be subject to a cure period during which time the City shall make a good faith effort to resolve the identified issues.

City of Seattle

1. The City, generally through DPR or other departments as designated by the City, shall regulate the permitting of, and maintain responsibility for, all First Amendment expressive activities and events, in accordance with applicable City rules and regulations.
2. The Pilot Agreement shall include funding from the Seattle Park District of \$310,000 in 2019 and \$315,250 in 2020 to support maintenance services for waterfront spaces that DPR is responsible for providing. Recommended levels of maintenance services shall be informed by task hour summaries prepared by ETM Consultants in 2018 and the Performance Standard.
3. It is anticipated that funding for the Management Agreement will come from Seattle Park District funds, the DPR operations and maintenance budget that had been previously allocated to Pier 62 and Waterfront Park, the City's general fund support and

commercial parking taxes and shall be sufficient to provide a high-quality, consistent level of maintenance and safety and security. Based on the ETM Report, the City has determined that, as of 2023 when the Waterfront Park and Public Spaces are completed, baseline funding in the amount of \$4.8 million will be needed for operation and maintenance and safety and security of the Waterfront Park and Public Spaces.

4. DPR shall create a dedicated team of maintenance staff who shall be responsible for amenities located in the Waterfront Park and Public Spaces. The initial scope of the Pilot Agreement shall be Pier 62; the scope of the future Management Agreement shall be the Waterfront Park and Public Spaces as shown in Attachment E.
 - a. DPR and Friends shall agree upon protocols for Friends to provide input into the qualifications and skill necessary for selection of DPR dedicated staff.
 - b. DPR and Friends shall agree upon protocols for Friends to request work changes and establish clear communication and work coordination channels that allows for timely response and follow through.
 - c. SDOT shall maintain maintenance responsibilities for right of way infrastructure, including but not limited to the roadway, sidewalks, dedicated bike path, signals, and lighting.
 - d. Other City departments, such as Seattle Public Utilities, shall maintain responsibility for their assets unless they reach an agreement with either Friends or another City department to provide those services.
 - e. Any services above baseline funding for routine or emergency maintenance on city-owned property shall be purchased from DPR and shall not be performed by Friends or any contractor or sub-contractor. However, Friends shall have the right to provide non-mechanical limited maintenance of any furnishings, temporary installations or equipment to support programming and activities, if

necessary.

5. DPR, in consultation with Friends and the Oversight Committee, shall conduct an annual operation and maintenance planning process no later than September 15 of each year for the succeeding year. Such process shall include (a) a comprehensive prospective annual operating and routine maintenance plan and budget; and (b) identification of priority capital replacement investment needs aligned with the City's budget process such that relevant aspects of the plan may be reflected in the budget proposals of the respective City departments. The process shall also include an updated ten-year rolling capital replacement and investment plan reflective of the ETM Report, relevant experience and any comprehensive reviews of the Performance Standard. The plans shall specify how the Waterfront Park and Public Spaces will be operated and maintained in a manner consistent with the Performance Standard.
6. DPR, in consultation with Friends and the Oversight Committee, shall coordinate an annual reporting process based on the Performance Standard metrics under which DPR shall report on their performance of their respective responsibilities for operation, management and maintenance of the Waterfront Park and Public Spaces. DPR's reporting shall take the form of the existing Park Inspection Program. Such reports shall include such data as DPR may reasonably determine necessary and appropriate for evaluating its performance under the applicable annual plans of either the Pilot Agreement or future Management Agreement.
7. The City shall have a reasonable right of termination as recourse if there is significant and lasting breach of the terms of the agreement by the other party. This right shall be subject to a cure period during which time Friends shall make good faith effort to resolve the identified issues.

Attachment D

Central Waterfront Guiding Principles

1. Create a Waterfront for All

The waterfront should engage the entire city. It is a public asset and should remain focused on public use and activities that attract people from all walks of life. It should be a place for locals and visitors alike - a place where everything comes together and co-mingles effortlessly. The process for developing a waterfront design should, in fact must, draw on the talents and dreams of the entire city. The resulting public spaces and surrounding development will engage us through a range of activities throughout the day and year.

2. Put the Shoreline and Innovative, Sustainable Design at the Forefront

To succeed, the waterfront must bring people to the water's edge - allowing them to experience the water itself and the unique geography and ecology of Elliott Bay. At the same time, we must take bold steps to improve the natural shoreline ecology while also preserving and enhancing the maritime activities that remain central to the Central Waterfront. The waterfront should, in its design, construction and operation, reflect Seattle's commitment to sustainability, innovation and responding to climate change.

3. Reconnect the City to its Waterfront

The waterfront should provide a front door to the downtown neighborhoods and the City. It will build a network of green connections and public spaces that connect visually and

physically to the water, to vital civic and commercial destinations, nearby neighborhoods and the larger fabric of downtown, city and regional open spaces. This will require a phased approach that is implemented over a longer horizon, but the full picture needs to be in view from the beginning.

4. Embrace and Celebrate Seattle’s Past, Present and Future

The waterfront is a lens through which to understand Seattle's past, present and future - from its rich geologic and natural history and early Native American settlements, to the founding of the region's maritime and resource economy, to maritime, industrial, commercial and recreational activities today. The waterfront is and should continue to support these activities, to provide essential connections and access to the waterfront and to surrounding neighborhoods. New waterfront public spaces should tell these stories in ways that are authentic and bring them to life for people today and preserve these connections into the future.

5. Improve Access and Mobility (for People and Goods)

The waterfront is and will remain a crossroads. Waterfront users rely on safe and efficient access to the piers both from water and land, thousands of commuters use Colman Dock each day, and Alaskan Way will continue to provide an important connection for moving people and goods between the south and north of downtown. At the same time, the waterfront will be an increasingly attractive place for walkers, bicyclists, joggers, recreational boaters and others. The future waterfront should accommodate safe, comfortable and efficient travel by pedestrians, bicyclists, vehicles and freight. The

interactions among these many parties must be designed carefully for safety, comfort, and efficiency for all.

6. Create a Bold Vision that is Adaptable Over Time

The waterfront will come together over time, with many complex infrastructure and engineering projects that must be completed before permanent public space improvements can be made. The vision developed now should clearly define an overall framework for how the waterfront will take shape, what the key elements will be, and define their essential character. At the same time, the vision must be flexible enough to adapt as conditions inevitably change.

7. Develop Consistent Leadership – from Concept to Operations

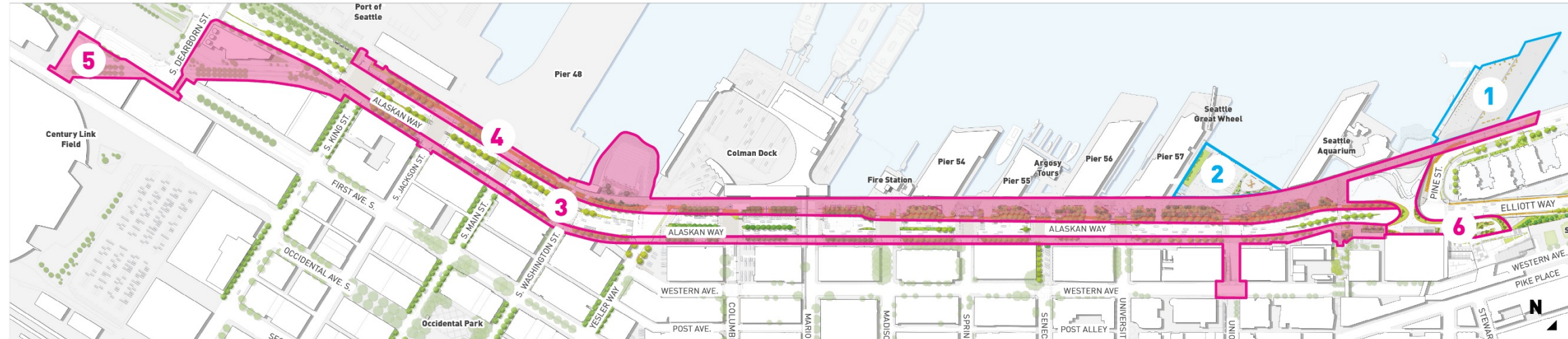
To succeed, strong leadership is necessary from an independent body tasked with realizing the waterfront vision. This leadership needs to be apolitical and start early - ensuring design excellence, rooting the process in a broad and transparent public outreach, and based on the realities of maintaining and programming the project once it is complete.

Attachment E

Waterfront Park Management Agreement and Park Boundaries

WATERFRONT PARK: MANAGEMENT AGREEMENTS AND PARK BOUNDARIES

December 2018



● Current park ● Park boulevard to be established

PILOT AGREEMENT (2019 - 2021)

- 1 Pier 62 and Floating Dock

MANAGEMENT AGREEMENT (2021)

- 1 Pier 62 and Floating Dock
- 2 Pier 58/Waterfront Park
- 3 Alaskan Way East and Union Street
- 4 Park Promenade
- 5 Railroad Way

OVERLOOK WALK AGREEMENT (TBD)

- 6 Overlook Walk



Attachment F

Waterfront Local Improvement District Preliminary Boundaries



SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	Executive Contact/Phone:
Office of the Waterfront and Civic Projects	Joshua Curtis/5-0178	Michael McVicker/4-5339

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

a. **Legislation Title:** AN ORDINANCE relating to the funding, operations, and management for Central Waterfront improvements; identifying the philanthropic funding for construction and operations and maintenance and safety and security of public spaces on the Central Waterfront; identifying a timeline for philanthropic fundraising and contributions; authorizing the Seattle Department of Transportation and the Department of Parks and Recreation to execute a two-year pilot agreement in preparation for a long-term agreement with Friends of Waterfront Seattle to operate and manage public spaces on the Central Waterfront; dissolving the Central Waterfront Steering Committee; and creating the Central Waterfront Oversight Committee.

b. **Summary and background of the Legislation:**
The Office of Waterfront and Civic Projects (OWCP), in partnership with Department of Parks and Recreation (DPR) and the Department of Transportation (SDOT), is developing a partnership with Friends of Waterfront Seattle to clarify respective roles, responsibilities and funding expectations in providing high quality operations and maintenance (O&M) and safety and security of the Waterfront Seattle parks and open spaces, beginning with Pier 62 which opens in 2019. This partnership is anticipated to be similar to our partnership with DSA on Westlake and Occidental Parks.

The Waterfront Seattle Strategic Plan, endorsed by the Mayor and City Council in 2012 in Resolution 31399, recommended a partnership with a non-profit park conservancy for the delivery of O&M to the parks and open spaces delivered as part of the Waterfront Seattle improvements. Peer parks such as the Highline and Bryant Square Park in New York City and Discovery Green in Houston all rely on some form of this non-profit conservancy model, which enables an entity to focus solely on the successful management of these iconic parks while also allowing for greater ability to raise funds through donations and revenue generation. Here in Seattle, a similar model has been tested with success in the management partnership between DPR and the Downtown Seattle Association in Westlake and Occidental Parks. The City additionally has a history of turning to non-profits such as the Seattle Aquarium Society and Woodland Park Zoo to manage City facilities that required fundraising and focused management.

In the fall of 2017, City Council approved Resolution 31768, which reaffirmed the City’s commitment to the LID, committed Friends to demonstrate \$25 million in committed pledges at the time of the LID formation, and outlined the framework for the Central Waterfront O&M partnership with Friends. The proposed partnership framework was

developed in a manner that was acceptable to the City, its labor partners, Friends' board and potential donors, and to property owners impacted by the proposed LID. To date, Friends has raised approximately \$32 million.

This ordinance identifies a fundraising contribution schedule for the remainder of Friends' \$110 million campaign and set a March 31, 2019 due date for the Friend to submit to the City Budget Director a fundraising plan. It would also further specify an O&M framework through the following actions:

1. Expressly authorize OWCP, SDOT, and Parks to enter into a two-year pilot agreement with Friends for Pier 62, which will inform a long-term agreement with City approval that includes other parks and open spaces within the central waterfront;
2. Formalize a term sheet that would inform the two-year pilot and future longer-term master agreement;
3. State the City's intention to review Special Event Committee policies,
4. State the City's intent to designate the open spaces located in the Right of Way as a "park boulevard;" and
5. Dissolve the current Central Waterfront Steering Committee and create a new Central Waterfront Oversight Committee which would provide oversight of the performance of the partnership, including outreach, public safety, programming, and maintenance of new Central Waterfront parks and public spaces as they are completed.

As part of this pilot agreement, Parks would maintain Pier 62 via a dedicated team of City staff, and Friends would provide activation, public programming, and safety/outreach services. Friends would be responsible for any non-First Amendment permitting and concessions; any revenues generated through these activities would be applied to programming and activation services in the park. SDOT and other appropriate City agencies would maintain their assets unless otherwise negotiated with another City agency. Pier 62 is anticipated to open in 2019.

2. CAPITAL IMPROVEMENT PROGRAM

- a. Does this legislation create, fund, or amend a CIP Project? ___ Yes ___X___ No**

3. SUMMARY OF FINANCIAL IMPLICATIONS

- a. Does this legislation amend the Adopted Budget? ___ Yes ___X___ No**
- b. Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

This legislation identifies a March 31, 2019 due date for Friends of Waterfront Seattle to deliver to the City a fundraising plan for its \$110 million capital campaign. It also identifies a contribution schedule and ensures Friends will provide any financing needed

in order to meet the contribution schedule.

This legislation would authorize DPR, SDOT and OWCP to enter into a two-year pilot agreement using Seattle Park District allocations of \$310,000 and \$315,250 to fund DPR maintenance on Pier 62 in 2019 and 2020, respectively. Originally budgeted as \$3,779,886 and \$3,874,383 (the \$3.5M base increased to include inflation) for these same years, the amounts were reduced as part of an agreement between OWCP and DPR in 2017 that led to the reallocation of the original funding to partially fund capital improvements for the Pier 62 rebuild and the remainder to land bank site development by DPR elsewhere in the City. These 2019 and 2020 funds will fund a base maintenance program for Pier 62 in 2019 and 2020 and any money left over could be used for upfront capital investments in equipment. OWCP will work with DPR to identify annual funding needs in 2021 and 2022 based on the phased completion of the project.

The legislation additionally commits the City to include in its annual budget \$4.8 million for waterfront operations and maintenance and safety and security starting in 2023 and inflating consistent with the Seattle Park District Financial Plan and the City's adopted budget. The sources for this funding would be the Seattle Park District, DPR operations and maintenance budget that had been previously allocated to Pier 62 and Waterfront Park, the City's general fund support and commercial parking taxes (CPT).

The legislation is governed by and subject to a fiscal emergency provision that would allow for a reduction in O&M funding in the event of a decline in expected General Fund revenue to ensure O&M budgets for the Waterfront parks and open spaces are reduced consistent with other City budget reductions in a financial downturn.

SDOT has allocated a portion of future CPT revenues from the 2.5% increase approved in 2011 for Alaskan Way Viaduct/Seawall-related uses to cover maintenance and capital reserves for portions of the transportation elements, such as the roadway and lighting, Light Penetrating Panels in the Seawall and other pavement improvements. \$206k is allocated in 2019 from SDOT funding, and SDOT will continue to include additional funding to address this higher level of maintenance in future years.

The pilot agreement would provide Friends the ability to issue, schedule, and collect revenues for non-First Amendment permitting and operate concessions and require that any revenues generated be dedicated to programming in the same spaces. These are revenues that would normally be collected by the City. In the longer-term agreement, the City intends to delegate to Friends the ability to lease kiosks, the Washington Street Boat Landing, and provide other concession opportunities in the spaces subject to the agreement. These delegations, along with occasional ticketed events, are important for Friends to have the ability to plan for diverse and interesting programming while also earning revenue to underwrite free activities for City residents, workers, and visitors. All agreements will include provisions to guarantee access to the spaces (including First Amendment activities) by the public and strict requirements for any revenue generated to fund programming and activation efforts. This model is very similar to the partnership between DPR and the Downtown Seattle Association in Westlake and Occidental Parks.

c. Is there financial cost or other impacts of *not* implementing the legislation?

This legislation is an important element to ensure that the capital investments by the City, the property owner community and philanthropy are well-maintained and ensure the public's use and enjoyment. These O&M commitments are a condition of the Protest Waiver Agreement which is being considered simultaneously via a separate ordinance.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

This legislation affects Seattle Parks and Recreation, as well as SDOT.

b. Is a public hearing required for this legislation?

No.

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

No.

d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

e. Does this legislation affect a piece of property?

No, the legislation does identify future actions that may affect a piece of property.

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

This legislation supports the provision of improved public spaces along Seattle's Waterfront that encourages use by people of all ages, incomes, and abilities, and supports free expression. It also helps to ensure that any employment associated with operating and maintaining waterfront parks and public spaces will provide living-wage jobs to local citizens regardless of their age, ethnicity, gender, or sexual orientation.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

This legislation outlines a process for operations and maintenance of the Waterfront improvements and authorizes a pilot agreement. It also identifies capital funding to construct the improvements. The Waterfront Improvement Program spans the waterfront from Pioneer Square to Belltown. It includes improved connections between center city neighborhoods and Elliott Bay, critical utility infrastructure, and new Alaskan Way and Elliott Way surface streets to serve all modes of travel and twenty acres of new and improved public space.

h. Other Issues:

List attachments/exhibits below: