

Date: March 13, 2015

To: Select Committee on the Central Waterfront, Seawall, and Alaskan Way Viaduct

Replacement Program

From: Martha Lester, City Council Central Staff

Subject: C.B. 118339 to Authorize Development Agreement with Pike Place Market

One component of the Central Waterfront project is redevelopment of the "PC-1 North" site at the Pike Place Market, which is currently owned by the City and used for surface parking. The site is planned to be redeveloped with low-income housing, retail, public pathways and plaza, and public parking. The Select Committee on the Central Waterfront, Seawall, and Alaskan Way Viaduct Replacement Program (Select Committee) was briefed about the PC-1 North project (known as "MarketFront") at its meetings on January 12 and February 9, 2015.

C.B. 118339 was introduced on March 2 and referred to the Select Committee. It will be on the March 16 Select Committee agenda for discussion and possible vote. This C.B. would authorize the Director of the Office of the Waterfront to transfer the PC-1 North site to the Pike Place Market Preservation and Development Authority (PDA), and to execute a Development Agreement for the site. Among other things, the Development Agreement includes a 50-year covenant for low-income housing and public parking (Exhibit F to Attachment A to C.B. 118339).

This memo highlights one issue for Councilmembers to be aware of related to the hours that the public areas will be open to the public. It then describes two amendments – one related to restricting parking for short-term use, and one for clean-up changes.

## A. <u>Issue of hours of public access</u>

Exhibit G to the Development Agreement is the Form of Perpetual Easement for Public Access. Conveyance of the PC-1 North site to the PDA is subject to this easement. Under the easement, the PDA grants to the City rights to public access for pedestrian and wheelchair travel on the pathways, plazas, and structures to be built on the site. It provides in part:

[With limited specified exceptions], the public shall have free, open and continuous pedestrian and wheelchair access to and through the Public Access Area free of charge daily, consistent with the normal hours of market operations but in no case for fewer than twelve (12) hours per day.

I want Councilmembers to be aware of the extent of this easement – that it will be "consistent with the normal hours of market operations but *in no case for fewer than twelve (12) hours per day.*" I understand the "no fewer than 12 hours per day" language was carefully considered and negotiated between the Office of the Waterfront and the PDA. Given that the PC-1 North site is a key component of the corridor between the north part of downtown and the new waterfront via the new Overlook Walk, it would be good to have public access for more than the minimum 12 hours per day. Assuming the Council authorizes the Development Agreement, and the PDA develops the site as planned, City staff can continue to work with the PDA on appropriate hours of access.

Note that the Council has discussed hours of public access in other contexts in the past. One comparison can be seen in the Land Use Code amendments that the Council enacted in 2012 for South Downtown. Those amendments allow more development on some very long blocks in Little Saigon if a "mid-block corridor" is provided. The Downtown Amenity Standards require that such a mid-block corridor be open for a minimum of 16 hours each day.

## B. Amendment for short-term parking

Exhibit F to the Development Agreement is the Form of Covenant for Low-Income Housing and Public Parking. Conveyance of the PC-1 North site to the PDA is subject to this covenant. The redevelopment of the PC-1 North site will include at least 300 public parking stalls. These are intended to replace short-term parking (a) in the existing surface parking lot on the PC-1 North site, (b) on City-owned land underneath the Alaskan Way Viaduct, and (c) already removed or to-beremoved along the waterfront due to Viaduct replacement construction activity.

The intent has always been that the 300 stalls will be for short-term parking (not for all-day or "early bird" commuter parking). However, the covenant (Exhibit F to the Development Agreement) does not include this restriction. The amendment shown below would add this restriction to the covenant. The amendment would also afford the PDA flexibility in allocating its overall parking stalls in the existing PC-1 South garage and the new PC-1 North garage between short-term and long-term parking as long as it does not increase the total number of long-term parking stalls.

Revise Section 3 of Exhibit F to Attachment A to C.B. 118339 as follows:

## 3. Public Parking Garage

Beginning on the Commencement Date and continuing for the Term, the Authority shall operate, or cause to be operated, a public parking garage on the Property <u>comprised</u> <u>comprising</u> of at least 300 parking stalls <u>for the purpose of short-term parking</u>. <u>However, the Authority may temporarily use the lowest level of the garage for long-term parking as an interim condition until the new driveway access at the north end of the garage is constructed and <u>operational</u>. The Authority shall at all times maintain a total of at least 300 short-term public parking stalls in its parking facilities during this interim condition.</u>

## C. <u>Clean-up amendments</u>

The Office of the Waterfront made clean-up changes to several of the exhibits to the Development Agreement after transmitting the proposed legislation to the Council. These amendments are shown on the attached version of the Development Agreement and its exhibits (version D2). They make minor changes such as correcting terminology to be consistent, inserting clearer graphics, and fixing formatting. None of these amendments is substantive.

Attachment: CB 118339 Att A vD2 mark-up