

MEMORANDUM

To: Gender Equity, Safe Communities, and New Americans Committee
From: Dan Eder, Central Staff Deputy Director
Amy Tsai, Central Staff Analyst
Date: July 27, 2016
Subject: North Precinct - Policy Issues

SUMMARY

At the June 8, 2016, GESCNA committee meeting, the Executive presented the current status of the North Precinct capital project. At that time, Councilmembers discussed a number of issues and community concerns about the project's cost and design. This memorandum recaps the main questions raised at the June 8 meeting and summarizes answers that have since been provided by the Executive, including design alternatives and cost implications.

Because the project's scope should be firmly established at the time of building permit application, Finance and Administrative Services (FAS), which manages the project, seeks Council direction on the desired scope of the precinct before proceeding through the building permit process.

Following resolution of the policy issues in GESCNA, it is expected that several fiscal bills (financial policies, appropriations, bonding authorization) will be considered either in the Affordable Housing, Neighborhoods & Finance (AHNF) Committee or in the Budget Committee that reflect the policy direction coming out of the GESCNA committee.

Project History

The North Precinct opened in 1984 with a designed capacity of approximately 150 staff; the facility now houses 254 staff. The Executive has determined that the North Precinct needs a larger facility to adequately support North Precinct operations.

Scope: The project will include a new police precinct sized to accommodate 20 years of anticipated growth in the size of the staff. The project includes offices, lockers for officers, training facilities (a "training bar" on the 3rd floor as well as a training facility with firing range in the basement), community space, public parking, and parking for police vehicles and staff personally owned vehicles (POVs).

Schedule: The project has been approved by the Design Commission, is nearing final design and is expected to begin construction in April 2017. The project cannot move forward to construction until FAS obtains a Master Use Permit (including a Type 5 Council land use action), obtains a building permit, and finalizes construction contract terms. *Any policy direction that significantly impacts one or more of these steps, such as a significant redesign, has the potential to incur schedule delays and thereby increase project costs.* Once the design is complete, FAS

estimates that the best case scenario is about nine months to the start of construction. Nine months from today would be the end of April, so under FAS’s time estimates, construction may be delayed even if final design decisions are made immediately.

Budget: The Adopted CIP identifies a project cost of \$160 million. Cost components are listed in Table 1 below.

Table 1. Project costs as of 7/7/15

Project cost components	\$ (in millions)
Real Estate	\$14.3
Design, Permitting, other “soft costs”	\$17.3
Construction Phase	\$105.1
Contingency	\$22.7
Public Art	\$0.8
Total	\$160.2

The Adopted 2016-2021 Capital Improvement Program (CIP) (Ordinance 124927) included appropriation authority of \$7.3 million for the North Precinct for 2015-2016, with life-to-date expenditures totaling \$13.7 million. However, the Council has yet to authorize the bulk of the project’s appropriations.

At the time the 2016-2021 CIP was adopted, it was anticipated that approximately \$139 million would come from a November 2016 Public Safety levy ballot measure. The Mayor subsequently decided not to propose such a measure for the ballot. A proposed funding plan described by the City Budget Office Director at the June 8 GESCNA Committee is summarized in Table 2 below.

Table 2. Project funding

Funding Source	\$ (in millions)
LTGO Bonds (Secured)	\$21
TBD (Unsecured)	\$139
Pacific Place Garage Proceeds	\$15
Additional REET in 2018 and 2019	\$22
LTGO with REET-backed debt service (about \$6.8M annually for 30 years)	\$102
Total	\$160

REET would be used to pay for the debt service on \$100 million in Limited-Term General Obligation (LTGO) bonds; this would require a change to the City’s financial policies. Currently, those policies allow use of REET for debt service only for certain fire facilities (Resolution 31083).

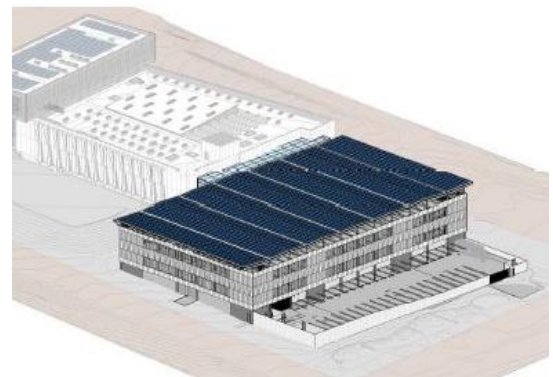
Policy Issues:

Councilmembers have expressed interest in the design and cost of three aspects of the precinct in particular: parking, the firearms training center, and community amenities. FAS has provided cost estimates for altering the design of these components, described below.

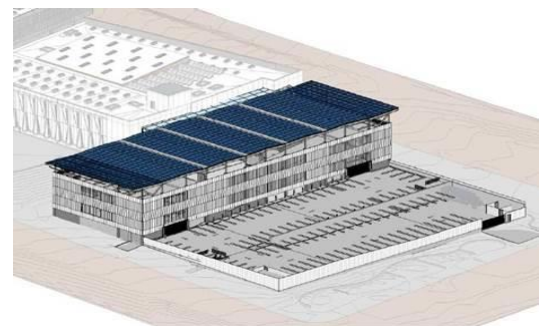
1. Parking

The existing North Precinct – the facility to be replaced by the new North Precinct at N 130th – was able to accommodate all personally-owned vehicles (POVs) for police staff when it opened in 1984. Due to growth over time, the North Precinct now can only accommodate police vehicles and command staff POVs. Police Chief O’Toole is currently conducting a survey of North Precinct staff to determine commute patterns, but that information is not yet available.

Current Garage: The new North Precinct scope includes a parking garage for the police fleet and all POVs. It was originally to include 460 stalls to accommodate projected 20-year growth. Due to cost estimate increases in 2016, FAS reduced the garage size by one bay (to 331 stalls) and added a new surface lot as shown in Figure 1 in order to stay within the total project cost estimate established in the Adopted CIP. The reduced garage would still accommodate all of the police vehicles (134) and all POVs (approx. 190) when the facility opens. With growth over time, staff would need to park elsewhere or commute by alternative means. This design has been approved by the Design Commission.



Half Garage: Reducing the now-planned garage by one bay would provide 228 on-site stalls (combined in the smaller garage and larger surface lot) as shown in Figure 2. This number of stalls is sufficient to accommodate all police vehicles but only a portion of the anticipated POVs when the facility opens. The change would reduce the overall project’s cost by \$7 million after some increased costs for redesign. FAS expects no change in the project’s need for additional environmental review and no change in the project’s nine-month duration from completion of design to start of construction (“final design-to-construction timeframe”). FAS has indicated that this design will require approval from the Design Commission.



No Garage: Eliminating the garage except for the infrastructure required to access the secure entrance (“sally port”) would provide 142 on-site stalls in a yet larger surface lot. This number of stalls is sufficient to accommodate all police vehicles on opening day but almost no POVs. FAS indicates this approach could require additional environmental review and building redesign, and delay the project’s groundbreaking by an indeterminate amount of time but by at least ten months. With delay

and redesign costs, FAS estimates a net cost savings of \$5.5 to \$8 million for this design alternative; this estimate does not include any changes in construction costs that might result from design changes. FAS has indicated that this design will also require approval from the Design Commission (Rendering not available for this alternative.)

FAS has noted additional implications of having no garage:

- It limits the ability to add a garage later without impacting operations
- Access to the sally port and the facility from the parking area becomes operationally more difficult due to ground elevation differences
- Any land acquired for a surface lot may impact the density of future development in the area.

Table 1 – Summary of Garage Options and Budget Implications

<i>Options</i>	<i>Gross Savings</i>	<i>Added Costs</i>	<i>Net Effect</i>
Status Quo (331 stalls)	N/A	N/A	N/A
Reduce garage to one bay (228 stalls)	(\$7.2 million)	\$0.2M design costs (no delay anticipated)	(\$7 million)
Eliminate garage except for ramp to sally port (142 stalls)	(\$17 million)	\$2.5M land acquisition for SEPA pkg mitigation \$1.6-\$2M redesign \$? Construction cost impacts of redesign may add costs \$5-7M escalation due to time delay	(\$5.5-\$8 million)

In terms of garage redesign, the net impact to the General Fund is essentially the same whether one bay or both bays are eliminated, due to the project delay costs of a no-bay scenario. Staff do not have sufficient information at this time to ascertain whether the escalation impact is as high as estimated by Turner Construction (whose estimate according to the Central Budget Office equates to 4.3% annual inflation, as compared to actual national construction inflation of 4.71% in 2015). In terms of building costs (not taking into account inflation costs due to time delay), the no-bay garage is a cheaper building. However, it also comes with greater operational challenges.

Two alternatives not costed out include leasing parking space off-site or keeping some SPD functions at a refurbished existing North Precinct building (e.g., Parking Enforcement Officers).

In regards to surface lot leasing, FAS explored nearby surface lots, but indicated that length of the lease and use restrictions would make it unlikely for nearby businesses to want to lease to the City, particularly with increased development in the area. Nearby City property was determined by FAS not to be feasible due to existing structures on the site that would need to be demolished.

In regards to refurbishing the existing North Precinct and using both facilities, FAS expressed operational concerns and stated that the existing precinct would require major upgrades that would require the building to be vacated during construction. As a result, renovation of the existing facility likely would not begin until the new precinct was completed, thereby extending the construction duration and increasing escalation costs.

Options:

- A. Build the garage as currently scoped.
- B. Reduce the garage to one-half the current footprint; build a larger surface lot.
- C. Eliminate the garage except for the infrastructure needed to access; acquire and/or build a yet larger surface lot elsewhere.

2. Basement Training Facility

The project includes a new training facility in the basement of the precinct, which includes a firing range and an independent training room. The new training facility would replace and significantly enhance the firing range in the existing North Precinct building.

Most officers throughout the City currently use the firing range owned by the Seattle Police Athletic Association in Tukwila. SPD indicates that providing a new, state-of-the-art training facility in the north end of the City would allow more efficient use of officers' time to complete some required firearms training, increase training efficiencies, reduce operational costs, and help ensure that every officer is compliant with mandatory training. Moreover, the new underground facility could operate 24 hours per day without disturbing neighbors, whereas the City of Tukwila noise ordinance requires that the SPOG-owned facility cease operation during nighttime hours.

FAS indicates that the net savings from eliminating the basement training facility and filling in the basement with structural fill is approximately \$2.8 million, taking into account approximately \$50,000 in redesign costs and no change to the project's nine-month final design-to-construction timeframe.

Options:

- A. Build the basement training facility as currently scoped.
- B. Do not build the basement training facility.

3. Community Amenities

One of the features of the new North Precinct is its large community space and outside amenities to create a welcoming face and usable space for the community. Councilmembers asked about the cost of those amenities and whether the neighborhood would support the use of those dollars as part of the precinct or would prefer that it be spent on other community features, perhaps sited elsewhere. In a similar vein, questions were raised whether FAS received feedback from representative segments of the community and conducted an RSJI analysis.

The North Precinct project went through a design review process that included three community open houses and Design Commission approval. The voluntary inclusion sign-in sheets for the meetings showed that attendees were predominately white, with ages ranging from about 40 to 80, and tended to be female. No RSJI analysis was conducted, but FAS and SPD are working with Seattle's Office of Civil Rights and Department of Neighborhoods for assistance in designing an RSJI analysis. At this late stage in design, FAS has indicated that such an analysis will focus more on operational adjustments than capital design.

Elimination of community elements: The areas that are outside of the secured areas that could be accessed and used by the community include the training bar that is on the top level overlooking the building's entrance, the public lobby, community room, and other lobby amenities. FAS states that removing all of these features would significantly reduce the scale and presence of the building on Aurora Avenue.

While the elimination of community space has notable gross cost savings (\$7.9 million as estimated by FAS), after \$6 million in escalation costs due to a 12-month delay for redesign and permitting, the net savings are estimated by FAS to be only \$1.2 million, at a significant loss of community functionality and training space in the building.

In regards to the possibility of eliminating only part of the space, such as the training bar, FAS notes that the training center represents approximately 10% of the precinct portion of the floor area, so would likely warrant a redesign and going back to the Design Commission for approval. In addition, the building massing and height created by the training center supports the guidelines established in the Bitter Lake Urban Design Framework.

Options:

- A. Build the community spaces as currently scoped.
- B. Eliminate the public spaces, including top level training bar, lobby, and community room.

CONCLUSION

Below is a summary of all of the options presented above. Changes to the project are in some cases expected to delay the start and completion of construction. According to FAS and Turner Construction, delay would increase the project cost by \$500,000 per month. The cost due to time delay is broken out in the table below.

Table 2 – Summary of All Options and Budget Implications

<i>Options</i>	<i>Gross Savings</i>	<i>Time delay costs</i>	<i>Other Costs</i>	<i>Net Effect</i>
One-bay garage	(\$7.2 M)	n/a	\$180,000	(\$7 M)
No garage	(\$17 M)	\$5-7 M	\$2.5M land \$1.6-\$2M redesign \$TBD redesign construction costs	(\$5.5-\$8 M) + redesign construction cost reduction
Eliminate firearms training facility	(\$2.8 M)	n/a	\$50,000 design	(\$2.8 M)
Eliminate community spaces	(\$7.9 M)	\$6 M	\$700,000 design	(\$1.2 M)
Max Total (not counting one- bay garage)	(\$27.7 M)	\$11-13 M	\$4.85 - \$5.25 M	\$9.5 - \$11 M

Once the Council provides FAS with direction to move forward with a building design, FAS will complete its Master Use Permit, building permit, and finalize the construction contract. During this time period, the Council will consider several legislative actions required to move the project forward, including a Type 5 land use decision, a right-of-way approval, and most significantly, appropriation of the project's remaining budget. Construction would then begin early next year.

cc: Kirstan Arestad, Central Staff Executive Director