

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
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1. BILL SUMMARY

1. Legislation Title:

AN ORDINANCE vacating portions of Broad Street, 8th Avenue North, and Mercer Street in the area bounded by Mercer Street, Dexter Avenue North, Roy Street, and 9th Avenue North in the South Lake Union area, on the petition of the Seattle Department of Transportation (Clerk File 314309), and granting an easement for sewer lines to King County.

2. Summary and background of the Legislation:

This Council Bill completes the vacation process for vacating portions of Broad Street, 8th Avenue North, and Mercer Street.

The Petition sought the vacation of the Broad Street right-of-way between Dexter Avenue North and Ninth Avenue North and any remaining Eighth Avenue North right-of-way between Mercer and Roy streets across the Broad Street right-of-way. This right-of-way is no longer needed, or used, for transportation purposes because of changes to the transportation network constructed under the Mercer Corridor Project.

1. SDOT owns all property adjacent to the Broad Street right-of-way and is proposing to: Vacate the right-of-way to consolidate all property into one or two parcels between Mercer Street, Roy Street, Dexter Avenue North, and Ninth Avenue North (the Broad Street Property), and
2. Sell the property for development consistent with the underlying zoning and neighborhood plans.

Vacating Broad Street to consolidate all property for sale will help ensure that the City receives the maximum value for the property and that the full value of the block is realized when the property is sold. The City will use some of the proceeds from the sale of the property to pay for costs incurred on the Mercer Corridor Project West Phase project.

The funding plan for SDOT's Mercer West project included proceeds from the sale of the Teardrop property. Because the property was not sold before Mercer West was constructed, the City Council passed Ordinance 124904 in 2015, which authorized a \$26.3 million interfund loan for the project. The City Council extended the term of the loan from December 31, 2017 to December 31, 2019 by passing Ordinance 125466 in 2017; that same year, the City Council provided an additional \$3.6 million of commercial

parking tax for the Mercer West project (Council Green Sheet 46-1-B-1) in order to reduce the amount needed for the interfund loan.

The loan is to be repaid with proceeds from the Teardrop property. The Teardrop property was purchased with bonds supported by Commercial Parking Tax revenues, gas tax revenues, construction cost offsets/easements, and special benefit general fund. Forty-two percent of the proceeds from the sale of the Teardrop property are restricted for transportation purposes. The Copiers NW property was purchased entirely with gas tax; therefore 100% of the proceeds from the sale of that property are restricted for transportation purposes.

This is not the standard approach for a street vacation. A development proposal for the site is not included with the petition.

A purchaser selected through a RFP will be responsible for developing the site under existing zoning and related development regulations and must implement the conditions assigned under the street vacation.

Does this legislation create, fund, or amend a CIP Project? Yes No

Project Name:	Project I.D.:	Project Location:	Start Date:	End Date:	Total Project Cost Through 2022:

3. SUMMARY OF FINANCIAL IMPLICATIONS

a. Does this legislation amend the Adopted Budget? Yes No

Appropriation change (\$):	General Fund \$		Other \$	
	2018	2019	2018	2019
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2018	2019	2018	2019
Positions affected:	No. of Positions		Total FTE Change	
	2018	2019	2018	2019

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?
 Disposition of these properties has been long contemplated. If the activities above are not implemented in advance of issuing the RFP, the city will not be able to maximize the value of these important City assets. This may severely impact the funds received from

the sale of the properties, limiting proceeds to repay the interfund loan for Mercer Corridor Project West Phase project.

- c. Is there financial cost or other impacts of *not* implementing the legislation?**
 The city may not receive the necessary funds for the Mercer Corridor Project West Phase project and may be unable to repay the interfund loan.

3.d. Appropriations

 This legislation adds, changes, or deletes appropriations.

Fund Name and number	Dept	Budget Control Level Name/##*	2018 Appropriation Change	2019 Estimated Appropriation Change
TOTAL				

Is this change one-time or ongoing?

Appropriations Notes:

3.e. Revenues/Reimbursements

 This legislation adds, changes, or deletes revenues or reimbursements.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2018 Revenue	2019 Estimated Revenue
TOTAL				

Is this change one-time or ongoing?

Revenue/Reimbursement Notes:

3.f. Positions

_____ This legislation adds, changes, or deletes positions.

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:

Position # for Existing Positions	Position Title & Department*	Fund Name & #	Program & BCL	PT/FT	2018 Positions	2018 FTE	Does it sunset? (If yes, explain below in Position Notes)
TOTAL							

Position Notes:

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
 Yes, the City Budget Office will issue the RFP after the vacation process is completed.
- 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?**
 Yes, it completes the vacation of the right-of-way.
- 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?**
 There are no perceived implications for the principles of the Race and Social Justice Initiative.

- 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).**

N/A

List attachments/exhibits below:

Summary Attachment A – Broad Street Vacation Area Map