



Legislation Details (With Text)

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Final Action: 7/27/2018 **Ord. No.** Ord 125630

Title: AN ORDINANCE relating to the Central Waterfront Project; authorizing a “Memorandum of Understanding Concerning Development of New Seattle Aquarium Facilities” between The City of Seattle and the Seattle Aquarium Society, increasing the maximum amount of funding authorized for design, and requiring a comprehensive financial plan prior to execution of a Project Development Agreement.

Sponsors: Debora Juarez

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Date	Ver.	Action By	Action	Result
7/27/2018	1	City Clerk	attested by City Clerk	
7/27/2018	1	Mayor	returned	
7/27/2018	1	Mayor	Signed	
7/26/2018	1	City Clerk	submitted for Mayor's signature	
7/23/2018	1	City Council	passed	Pass
7/18/2018	1	Civic Development, Public Assets, and Native Communities Committee	pass	Pass
7/16/2018	1	City Council	referred	
7/10/2018	1	Council President's Office	sent for review	
7/10/2018	1	City Clerk	sent for review	
7/10/2018	1	Mayor	Mayor's leg transmitted to Council	

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the Central Waterfront Project; authorizing a “Memorandum of Understanding Concerning Development of New Seattle Aquarium Facilities” between The City of Seattle and the Seattle Aquarium Society, increasing the maximum amount of funding authorized for design, and requiring a comprehensive financial plan prior to execution of a Project Development Agreement.

WHEREAS, The City of Seattle (“City”) owns the Seattle Aquarium facility (“Aquarium”), located on Piers 59

and 60 along the Seattle Central Waterfront and widely recognized for its national and regional standing for scientific research, marine conservation education, civic engagement, and tourism. The Seattle Aquarium Society (SEAS) has managed aspects of the Aquarium operations since the 1980s under a series of agreements with the City's Parks and Recreation Department (DPR) and assumed full management responsibility in 2010; and

WHEREAS, in 2003, in conjunction with plans for the removal of the Alaskan Way Viaduct ("Viaduct") and replacement of the aging Elliott Bay seawall, the City began developing a community vision for the Central Waterfront that includes reconnecting downtown Seattle to the Central Waterfront; and

WHEREAS, SEAS has a demonstrated history of successful project management and fundraising for major capital improvement projects, raising \$20 million from non-City sources and partnering with the City, which appropriated \$22.5 million, to seismically retrofit portions of the Pier 59 structure and rebuild the eastern third of the historic pier shed. SEAS and the City then each contributed \$3.5 million respectively and jointly worked to address other aspects of the aging infrastructure, including replacing the harbor seal exhibit and timber-piled "finger pier" connecting Piers 59 and 60; and

WHEREAS, in 2008, the City Council adopted Resolution 31080, which contains several principles related to future Aquarium development ("Guiding Principles"). Principle V states that all future phases of Aquarium development should be consistent with the Central Waterfront Master Plan in effect at the time of the proposed development, and Principle VII states that if City resources are required for future Aquarium development, Aquarium development financial plans should clearly state the proposed fiscal responsibilities of SEAS and the City; and

WHEREAS, in 2009, the City Council passed Ordinance 123205, with the Mayor concurring, authorizing DPR to enter into a long-term agreement with SEAS to operate and maintain the Aquarium ("O&M Agreement"). The O&M Agreement requires SEAS to prepare a master plan to guide investments in the physical development of the Aquarium and that the SEAS master plan be approved by the City Council,

by resolution. Under the O&M Agreement, new exhibits that SEAS develops will be owned by the City, with SEAS owning all animals and maintaining and operating the facility, including animal care, and programming of the Aquarium. Section 16.1 of the O&M Agreement reiterates Principle V, requiring that SEAS coordinate its planning and development of a future Master Plan with the Committee on Central Waterfront Partnerships, and the Waterfront Planning parameters (“Central Waterfront Plan”) developed by the City Council. Further, the O&M Agreement requires that the Master Plan be consistent with the City’s adopted Alaskan Way and Seawall Replacement Program, especially as concerns the seawall replacement component of the program and the redesign of adjacent public spaces at Waterfront Park and Piers 62/63; and

WHEREAS, the Central Waterfront Concept Design and Framework Plan (“Concept Design”), dated July 2012, was developed by City staff and a multi-disciplinary team of consultants under the oversight of the Central Waterfront Committee, building on broad public engagement. SEAS participated in the development of the Concept Design as it began planning to renovate and expand portions of the Aquarium; and

WHEREAS, responding to the Guiding Principles, the Concept Design calls for a significant new public pedestrian connection, the “Overlook Walk,” between Pike Place Market and the Central Waterfront in the vicinity of the Aquarium. It also calls for an “Aquarium Plaza” between the Aquarium and relocated Alaskan Way, and redevelopment of Piers 62 and 63 (“Piers 62/63”) and Waterfront Park located to the immediate north and south of the Aquarium; and

WHEREAS, in August 2012, the Seattle City Council adopted Resolution 31399, endorsing the Concept Design and the Central Waterfront Committee’s Strategic Plan (“Strategic Plan”), and encouraging agreements with the Pike Place Market and Aquarium for co-developments that will integrate the Concept Design with related major projects proposed by both; and

WHEREAS, Resolution 31399 also states that the City’s continuing financial participation in the development

of the Aquarium will depend upon the City's success in securing funding as a component of the Central Waterfront Project funding outlined in the Strategic Plan. Resolution 31399 also affirms the importance of continuing work on the Central Waterfront Project, as well as Aquarium facilities, as the funding plans for the projects are achieved; and

WHEREAS, in February 2013, the Seattle City Council adopted Ordinance 124121, to authorize execution of a Memorandum of Understanding Concerning Renovation and Expansion of the Seattle Aquarium and Development of the Central Waterfront Project between the City and SEAS ("2013 MOU"). The 2013 MOU referred to a conceptual design for renovation and expansion of Aquarium facilities consisting of four elements: Pier 59 west end renovation, Pier 60 renovation and a new shed roof, a new structure on the Aquarium Plaza and partially under the Overlook Walk, and a new south wing over water ("Aquarium Expansion Project"). The 2013 MOU satisfied the requirements of Resolution 31399 with regard to an agreement between the City and SEAS and served as a basis for both the City and SEAS to proceed with consideration of a potential design for the Aquarium Expansion Project; and

WHEREAS, the 2013 MOU committed the City to compensate SEAS for 50 percent of its expenditures for design, engineering, and related services for the Aquarium Expansion Project incurred beginning January 2, 2013, to a maximum payment of \$1,000,000, provided that no more than \$500,000 would be payable in either 2013 or 2014. The 2013 MOU also described a process whereby a future "Project Development Agreement" would be negotiated prior to attaining 30 percent design of the Aquarium Expansion Project, with such Agreement to include a project design and phasing plan, comprehensive funding plan, project schedule, City requirements for SEAS's construction of the Aquarium Expansion Project, and other requirements regarding responsibility for cost overruns and decision-making regarding design changes; and

WHEREAS, by letter dated July 14, 2014, from Goran Sparrman, Interim Director of the Seattle Department of Transportation, to Robert Davidson of SEAS, the City clarified the mutual understanding of the 2013

MOU that the funding for design and planning costs for Aquarium renovation and expansion is available beyond 2013 and 2014. Both parties recognized that additional planning and design time was necessary to coordinate the Aquarium Expansion Project with the Central Waterfront Project; and

WHEREAS, in 2014 and 2015, with public engagement, SEAS prepared the master plan, dated July 2015, required by Ordinance 123205 (“Master Plan”). The Master Plan defined three proposed capital projects for further assessment: Pier 59 west end renovation, Pier 60 replacement and expansion, and a new on-land “Ocean Pavilion.” The new Ocean Pavilion building would take the place of the previously considered expansion over water south of Pier 59. The parties agreed that the design of the expanded Pier 60 should increase overwater coverage by no more than 7,000 square feet; and

WHEREAS, in 2015, the City Council enacted Resolution 31603, approving the Master Plan for the purpose of allowing the advancement of the design of a potential on-land Aquarium expansion building, so that sufficient information would be available for conducting further review and analysis, including environmental review, of that proposal; and

WHEREAS, in 2015, the City Council passed Ordinance 124908, authorizing an amendment to the 2013 MOU to increase the City’s maximum compensation to SEAS from \$1,000,000 to \$1,800,000 for the Aquarium Expansion Project engineering, design, and consultant services; and

WHEREAS, in 2017, the City Council passed Ordinance 125422, authorizing a second amendment to the 2013 MOU that reaffirmed the City’s commitment to the Ocean Pavilion concept, outlined the design process to reach 30 percent schematic design, required SEAS to fund 30 percent schematic design, and committed the City and SEAS to develop a funding plan and new memorandum of understanding to be brought to the City Council for consideration; and

WHEREAS, in recognition of the need to undertake further design work and environmental review for the proposed Ocean Pavilion component of the Master Plan, and given that coordination of the proposed Ocean Pavilion with the Central Waterfront Project could achieve efficiencies and cost savings to both

the City and SEAS that are in their respective and mutual best interests and could accomplish numerous public purposes, the City and SEAS agree that a new memorandum of understanding (“2018 MOU”) is appropriate to replace and supersede the 2013 MOU from and after the date of the 2018 MOU. This 2018 MOU recognizes the mutual interests of the City and SEAS to advance the planning and design of the proposed Ocean Pavilion component of the Aquarium Master Plan; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The 2018 Memorandum of Understanding Concerning Development of New Seattle Aquarium Facilities (“2018 MOU”), attached to this ordinance as Attachment 1, is approved. The Director of the Office of the Waterfront and Civic Projects and the Superintendent of the Department of Parks and Recreation, or such officials’ designees, are hereby authorized to execute the 2018 MOU with the Seattle Aquarium Society (SEAS) and implement its terms. The maximum amount of City funding for design and development of the proposed Ocean Pavilion project is increased from \$1.8 million to \$4.7 million to reimburse up to 50 percent of eligible direct project-related costs, which costs shall not include SEAS’s general or central overhead or staffing or other elements of the Master Plan.

Section 2. Any project development agreement (PDA) for a proposed Ocean Pavilion shall be executed only after completion of 60 percent design development, including cost estimates. Prior to execution of a PDA, SEAS shall provide the Director of the City Budget Office with a cost estimate and comprehensive funding plan identifying, with reasonable specificity, the principal sources of funding sufficient to complete development and construction of the proposed project. A report on the feasibility of the comprehensive funding plan shall be provided to the City Council along with the ordinance to authorize execution of the PDA.

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

Passed by the City Council the _____ day of _____, 2018, and signed by

me in open session in authentication of its passage this ____ day of _____, 2018.

President _____ of the City Council

Approved by me this _____ day of _____, 2018.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2018.

Monica Martinez Simmons, City Clerk

(Seal)

Attachments:

- Attachment 1 - Memorandum of Understanding Concerning Development of New Seattle Aquarium Facilities
 - Exhibit A - Ocean Pavilion Site Plan
 - Exhibit B - Waterfront Related Elements
 - Exhibit C - Waterfront Program Diagram
 - Exhibit D - Schematic Design Elements
 - Exhibit E - Ocean Pavilion Funding Plan