

April 26, 2023

MEMORANDUM

To: Transportation and Seattle Public Utilities Committee
From: Lish Whitson, Analyst
Subject: Council Bill 120544 – Qwest Seneca Street tunnel

On May 2, 2023, the Transportation and Seattle Public Utilities Committee (Committee) will discuss and possibly vote on [Council Bill \(CB\) 120544](#), which would renew approval to Qwest Corporation to maintain a utility tunnel under Seneca Street between 3rd and 4th Avenues (Council District 7). The tunnel connects the office buildings at 1122 3rd Avenue and 1200 3rd Avenue, providing a diesel fuel connection between the buildings. The legislation would renew an existing term permit ([Ordinance 123615](#)) for a final 15-year term, after which repermitting would be required.

This memorandum describes the term permit renewal process and the utility tunnel.

Significant Structure Term Permit Renewals

Significant structures are structures that have “a long-anticipated duration of encroachment, impede the City's or public's flexibility in the use of the public place, or are necessary for the functioning of other property of the permittee.” Examples include tunnels below streets that provide utility, pedestrian, or vehicular access between private properties; public art placed in right-of-way; and overhead structures attached to buildings. [Seattle Municipal Code \(SMC\) Chapter 15.65](#) establishes the procedures and criteria for approval of and renewal of term permits for significant structures.

[SMC 15.65.073](#) states:

If the Director of Transportation determines at term renewal that the authorizing ordinance requires an amendment, the Director shall provide a recommendation to City Council as to whether an application for a significant structure term permit renewal should be granted or denied with the appropriate terms and conditions, and the Council shall decide on the renewal and establish the terms and conditions of that renewal consistent with [Section 15.65.080](#). Approval of an amended term renewal for a significant structure term permit shall be granted only by ordinance.

[Section 15.65.080](#) provides the terms and conditions that may be included in a term permit ordinance. These include, but are not limited to:

- the term of years that permission is granted and renewal periods, if any;
- provision for regular inspection of and procedures for closure or removal of the structure;
- requirements for performance bonds, public liability insurance, indemnification, conformance with other laws, and annual fees;
- prohibition against assignment without City consent;
- a requirement for execution and recording of a covenant ensuring that obligations and conditions imposed on the permittee run with the land, where applicable;
- public benefit mitigation elements; and
- timely acceptance of permission.

The current practice of the Seattle Department of Transportation (SDOT) is to recommend longer terms for significant structure term permits and skybridge permits. Instead of a 10-year permit that may be renewed for two additional 10-year terms, which is the model that the current approval follows, SDOT recommends issuing permits for 15-year terms, renewable once. This shift responds to the volume of term permits, the amount of work required to process a permit renewal, and the rarity of significant changes to approvals during term permit renewals.

Qwest Utility Tunnel

1122 3rd Avenue is a 15-story office building built in 1955. It is currently owned by Lumen Technologies, the parent company of Qwest Corporation, a telecommunications firm. 1200 3rd Avenue is a 13-story office building built in 1921, and currently owned by Expeditors International. A utility tunnel provides a diesel fuel connection between the two buildings below Seneca Street.

Permission to build and use a tunnel under Seneca Street between the two buildings was first granted in 1955 through [Ordinance 84164](#). In 2011, [Ordinance 123615](#) permitted the tunnel for an additional 10 years, eligible to be renewed for two additional 10-year terms, ending in 2040. CB 120544 would amend Ordinance 123615 and renew the permit with a 15-year term, ending in 2038, after which the permit holder would need to apply to repermit the utility tunnel.

Next Steps

If the Committee recommends approval of CB 120544 at its May 2 meeting, it could be considered by the City Council as early as May 9.

cc: Esther Handy, Director
Aly Pennucci, Deputy Director
Yolanda Ho, Supervising Analyst