

MEMORANDUM - Concurrence Coversheet

Date: March 12, 2024

To: Greg Spotts, Director

From: Beverly Barnett, Street Vacations Program Manager

Subject: For your signature

Short Summary/Reason for Request:

The Director's signature is needed on the vacation recommendation to the City Council for the petition from Denny and Eastlake Limited Partnership and Denny and Stewart Limited Partnership, to vacate the southern portion of the alley in Block 24, from Denny Way to Stewart St in the block bounded by Denny Way, Stewart St, and Eastlake Ave E, in the South Lake Union Neighborhood Urban Center of Seattle. The vacation is proposed for the development of a 15-story life science research tower with four levels of parking below grade. Public benefit includes pedestrian amenities and enhancements in lower Denny Way, Eastlake Ave E, and Stewart St.

The recommendation has been reviewed by the Law Department, SDCI, Council Staff, Seattle Design Commission, and SDOT.

Requesting signature by March 21, 2024. After signature, please return to Beverly Barnett.

	Alyse Nelson / 206-423-6330	Alyse Nelson (Mar 15, 2024 17:51 PDT)		
Acting Division	Director's Approval			
	Alyse Nelson / 206-423-6330	Alyse Nelson (Mar 15, 2024 17:51 PDT)		
Chief Infrastructure Officer's Approval				
	Elizabeth Sheldon / 206-684-7945	Elizabeth Sheldon (Mar 18, 2024 08:53 PDT)		



April 2, 2024

Honorable Saka, Chair Transportation Committee Seattle City Council 600 Fourth Avenue Seattle, Washington 98104

Subject: Petition of Denny & Eastlake Limited Partnership and Denny & Stewart Limited Partnership, for the vacation of the alley lying within Block 24, Pontius Fourth Addition to the City of Seattle, extending from the northern margin of Denny Way and the easterly margin of Stewart Street. Clerk File 314512

Dear Councilmember Saka and Honorable Members of the Transportation Committee: We are returning the petition from Denny & Eastlake Limited Partnership and Denny & Stewart Limited Partnership ("Petitioners") for the vacation of the alley described as:

THE ALLEY LYING WITHIN BLOCK 24, PONTIUS FOURTH ADDITION TO THE CITY OF SEATTLE, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 7 OF PLATS, PAGE 8, RECORDS OF KING COUNTY, WASHINGTON, LYING BETWEEN FRACTIONAL LOTS SIX THROUGH NINE, INCLUSIVE, AND BETWEEN LOTS 10 THROUGH FRACTIONAL LOT 14, INCLUSIVE, EXTENDING FROM THE NORTH RIGHT OF WAY MARGIN OF DENNY WAY AND THE EASTERLY RIGHT OF WAY MARGIN OF STEWART STREET; CONTAINING AN AREA OF 2,698 SQUARE FEET, OR 0.0619 ACRES MORE OR LESS; SITUATE IN THE CITY OF SEATTLE, KING COUNTY, WASHINGTON.

Seattle Department of Transportation (SDOT) recommends the vacation be granted subject to the conditions and obligations included in this recommendation.

The recommendation from SDOT includes a summary of the information provided in the vacation petition and its review. The recommendation addresses all the areas outlined in the Street Vacation Policies that guide the review steps and the analysis of the proposal. The recommendation includes the following sections:

- I. City Council District,
- II. Determination of Simple or Complex Vacation,
- III. Background,
- IV. Project Description,
- V. Reason for Vacation,
- VI. No-Vacation Alternative,
- VII. Activities Prior to Formal Vacation Application,
- VIII. Community Engagement,

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 2 of 30

- IX. Early City Council Review,
- X. Regulatory Review & Issue Identification,
- XI. Design Commission Review,
- XII. Policy Framework,
- XIII. Public Trust Analysis,
- XIV. Public Benefit Analysis, and
- XV. Recommendation.

Clerk File 314512 contains the signed petition and the documents that explain the reason for the vacation request.

I. CITY COUNCIL DISTRICT

The proposed street vacation is in City Council District 7.

II. DETERMINATION OF SIMPLE OR COMPLEX VACATION

This proposed vacation is in an Urban Center and has been determined to be a Complex Street Vacation as provided for in the Street Vacation Policies.

III. BACKGROUND

The project proposes a life science research tower. The project site is located at a gateway intersection to the city adjacent to a major exit from Interstate 5 (I-5), and at the intersection of two city grids. The site is bordered by two arterial streets including Stewart Street to the west and Eastlake Avenue to the east. As Stewart Street travels north, it diagonally bisects the block containing the project site. The result is two triangular block fragments that are more difficult to develop than standard rectangular blocks.

To the south of the site is a relatively quiet, one-way (eastbound accessed from Stewart) street referred to as lower Denny Way that is currently used by vehicles to access a surface parking lot and the backside of buildings via the existing alley. Immediately south and above lower Denny Way is the Denny Way overpass connecting Capitol Hill to downtown neighborhoods. These roadways are visually and acoustically dominant and the close proximity of the Denny Way overpass to the project site creates a cavernous condition at lower Denny Way. The intersection of lower Denny Way with Stewart Street creates conflicts between vehicles and pedestrians crossing Stewart Street or Denny Way.

Petitioner Denny & Eastlake Limited Partnership owns Parcel 6849700326 and Petitioner Stewart & Denny Limited Partnership owns Parcels 6849700305 and 6849700340. No other owner abuts the alley to be vacated.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 3 of 30

The Property, which includes four parcels totaling 34,078 sf, is currently developed with a commercial parking lot, a hookah bar, an auto repair business, and a music venue. There are no existing residential uses on the Property. The alley is approximately 168.5 feet long and 16 feet wide for a total of approximately 2,698 sf.

The proposed alley vacation is part of a larger development plan being developed by PMB, LLC. Petitioners propose the alley vacation to facilitate development of the Project on a site area totaling 36,776 sf.

IV. PROJECT DESCRIPTION

Development that would occur should the vacation be granted would include a project that consists of approximately 437,374 sf of shell-and-core life science research tower development with fifteen stories above grade and four parking levels below grade totaling 258 stalls. The Project will also provide 140 long-term and 28 short-term bicycle parking stalls.

A distinct feature of the proposed site plan is a large building setback at Stewart Street and Denny Way that creates a generous publicly accessible open space with abundant light and air and maximizes views along the Stewart Street and Denny Way corridors. The proposed design prioritizes pedestrians on lower Denny Way, which has little functionality as a one-way vehicular route beyond providing a through connection to Eastlake Avenue East and for access to the alley that dead ends at Stewart Street. Lower Denny Way is proposed as an Urban Curbless Street as defined by Streets Illustrated with limited access for emergency and City service vehicles. Eastlake Avenue will include new bicycle facilities and intersection improvements at Stewart Street and I-5 exit ramp contributing to an important link between downtown, South Lake Union and Eastlake neighborhoods.

The requested street vacation is integral to the redevelopment of the existing parcels. Vacating the alley allows the project to achieve the following:

- A consolidated development parcel allows for single tower and podium consistent with similar and recent neighborhood development.
- The minimum open space requirement of 5,515 sf is significantly exceeded with publicly accessible space along Stewart Street.
- Improved pedestrian mobility at the corner of Stewart Street and Denny Way by providing a generous waiting area within the plaza for pedestrians crossing either arterial.
- A single access point along Eastlake Avenue East that accommodates parking, loading, and waste/recycling, and all other curb cuts on the site are removed.
- Lower Denny Way is closed and limited to emergency and SDOT maintenance vehicles.
- Eastlake Avenue East includes new bike facilities linking downtown to South Lake Union.
- A more energy efficient envelope.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 4 of 30

In addition to project improvements, a range of public benefit opportunities are being proposed, including:

- An improved pedestrian crossing at Stewart Street and lower Denny Way.
- An improved pedestrian crossing at Eastlake Avenue East and Stewart Street.
- Eastlake Avenue right-of-way improvements, including new bicycle facilities, wider sidewalks, street trees, and lighting.
- Improvements to lower Denny Way as pedestrian first street with plantings, street trees, lighting, and seating.
- Providing private infrastructure (bottle fill station, electricity, water, bike fix it station, and storage room) for public use along lower Denny Way.
- Artistic Endeavor (mural) at the Denny Way overpass.
- Wayfinding.

V. REASON FOR VACATION

The alley vacation allows for consolidation of the site so that one building can be developed. This consolidation eliminates the duplication of service, access, and loading, allowing for a single and more efficient building to occupy the project site. The vacation also increases the potential to develop a project that can become a major entrance to downtown neighborhoods.

In addition, the consolidated site can accommodate more publicly accessible open space along the Stewart Street frontage and at the intersection with Denny Way. The open space will respond to the needs of the growing neighborhood by providing a safe place for building occupants, visitors, and residents to circulate and gather. The open space will also double as a stormwater management facility, contributing to the stormwater management strategy anchored by the swale on Yale and focused on the goal of improving water quality in Lake Union. The project team is working with Seattle Public Utilities and the GIS Partnership Program, designed to fund voluntary green stormwater infrastructure (GSI) retrofits, to manage runoff from existing impervious areas of Stewart Street beyond minimum requirements in the Stormwater Code.

The new development will provide right-of-way improvements and public benefit features for pedestrians and cyclists creating new bike facilities, wider sidewalks, street trees, and understory plantings along Stewart Street, Eastlake Avenue East, and lower Denny Way.

The alley vacation further enhances the pedestrian environment around the site perimeter by consolidating multiple curb cuts and driveways into a single parking and loading access point along Eastlake Avenue East.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 5 of 30

VI. NO-VACATION ALTERNATIVE

The no vacation alternative would result in development on two separate development parcels, Parcel A (west parcel) and Parcel B (east parcel) divided by the existing alley that links Stewart Street to lower Denny Way. Due to the proximity of the parcels to one another, tower separation regulations restrict the height on one of the parcels, resulting in a low-rise building on Parcel A (west) and a mid-story building on Parcel B (east).

The site plan is organized around the alley that serves as primary access to both parcels for parking, loading, and waste/recycling. Parking would be provided below grade in two separate parking garages. Due to the one-way system of streets surrounding the site, access and drop-off is limited, but may occur at lower Denny Way and Eastlake Avenue East. Limited open space would be provided, as the Land Use Code would only require open space for the office building on Parcel B.

Street use improvements are limited to code required parcel frontages along Stewart Street, lower Denny Way, Eastlake Avenue East, and the alley. Lower Denny Way would remain an active street to maintain access to the alley and through access to Eastlake Avenue East.

The no-vacation alternative would not require any public benefits.

VII. ACTIVITIES PRIOR TO FORMAL VACATION APPLICATION

In the Street Vacation Policies adopted in Resolution 31809 in 2018, the City Council formalized procedural obligations that a developer must address before filing a vacation petition. These steps must be completed before SDOT may accept a vacation petition and before the formal review of a proposed vacation.

The Council imposes a more rigorous and consistent plan to engage the community before the review process begins. This early work is intended to move beyond notification about a proposed vacation and create an opportunity for early input on a proposal and public benefit plan.

The pre-petition activities outlined in the Vacation Policies includes:

• Feasibility assessment: SDOT requires a developer to provide conceptual information about the proposal and what the vacation contributes to the development. SDOT staff provide information about the time frame, costs, and obligations of a vacation, including the public benefit obligations, and the appraisal process to determine the vacation fee to acquire the right-of-way. SDOT may include other city staff such as Seattle Department of Construction & Inspections (SDCI), Department of Neighborhoods (DON), utility representatives, and the Seattle Design Commission (SDC). City staff will work to provide an early assessment based on the information provided.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 6 of 30

- Community Engagement Plan: The developer is required to consult with DON staff and develop a Community Engagement Plan that must be included in the vacation application.
- Conduct early community engagement: Consistent with the plan, the developer must proceed with early community engagement.
- SDC early review: The vacation proposal must be presented to the SDC before any Early Design Guidance (EDG) meeting so that the SDC can provide input to the Design Review Board (DRB).
- Capital Improvement Projects (CIP): If a CIP project is proposed by the City or other public agency, the proposal including a vacation and a no-vacation alternative must be presented to the SDC at predesign or 15% review of the proposed facility.
- Early Design Guidance: If the project is subject to design review the EDG process must be completed before the vacation can be accepted by SDOT.

This work creates opportunities for early input from the community and various city staff and can assist a developer in determining whether to proceed with a vacation.

VIII. COMMUNITY ENGAGEMENT PLAN

Before a Petitioner can begin the formal vacation review, the Petitioner must work with DON on developing a Community Engagement Plan. The City first expanded the obligation to develop Community Engagement Plans in Ordinance 125429. This legislation added requirements to Seattle Municipal Code (SMC) Chapter 23.41 that all projects going through Streamlined, Administrative, or the Full Design Review program administered by SDCI must prepare a community outreach plan before scheduling the EDG meeting. SDCI Director's Rule 4-2018 and DON Director's Rule 1-2018 provide more guidance about the components of the plan. The vacation review follows the guidance provided by the SMC and the Director's Rule. The developer can then work with DON on a plan that will be accepted by SDCI and SDOT.

The Community Engagement Plan for the Project, approved by the DON on June 13, 2022, used several strategies to reach individuals and organizations in the neighborhood where the alley vacation is proposed, as follows:

- <u>Website</u>: <u>https://www.1305stewartalleyvacation.com/</u>. The website provides project information, information about the alley vacation, a survey, and a link to provide project comments.
- <u>Online Survey</u>. The project website includes an online survey to provide the community with the opportunity to provide specific feedback about the proposal. The survey will be live for the life of the alley vacation process, up to the final vote by City Council.
- <u>Community Letter</u>. The Project team developed a community outreach letter and flyer that was mailed to 1,533 residents and businesses within a 750-ft radius of the project site to inform them of the proposed alley vacation and invite them to the Virtual Open House to provide feedback. The letter included contact information and basic information that

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 7 of 30

> directed interested parties to the website and online survey. The letter was also emailed to all community groups listed on City of Seattle's Neighborhood Snapshot and the Cascade Neighborhood Council, Friends of Denny Park, Discover South Lake Union, Denny Triangle Neighborhood Association, the South Lake Union Community Council, the South Lake Union Chamber of Commerce, and Emergency Block Watches. The team followed up with recipients by phone/e-mail to gauge interest in conversations.

- <u>Equitable Access</u>. Intentional effort was made to ensure all materials were equitably accessible for non-English speaking members of the community. This included professionally translating the website, the online survey, and the community letter into Spanish and Chinese.
- <u>Two Virtual Open House Meetings.</u> The Project Team hosted two virtual open house events on Monday, December 19th and Tuesday, December 20th to present the proposal and solicit feedback. There were no attendees at either open house except for the Project team.
- <u>Additional Community Conversations.</u> The Project Team directly reached out to local organizations such as Cascade Neighborhood Council, YouthCare/Orion Center, Mirabella, YMCA, Immanuel Lutheran Church, and other downtown-focused transportation and community organizations such as Feet First, Transportation Choices Coalition, Cascade Bicycle Club, Greenways, and Seattle Center.
- <u>Door to Door Outreach</u>. The Project Team also conducted door to door outreach, reaching out to the 25 nearby businesses and residential buildings.
- <u>Meetings with Community Organizations.</u> The Project Team's outreach resulted in the following meetings.
 - December 19, 2022 Community Outreach Open House 1
 - December 20, 2022 Community Outreach Open House 2
 - February 21, 2023 South Lake Union Community Council
 - March 6, 2023 YouthCare
 - April 20, 2023 Transportation Choices Coalition
 - June 15, 2023 Immanuel Lutheran Church
 - June 16, 2023 Mirabella
 - June 21, 2023 Cascade Neighborhood Council
 - June 27, 2023 YMCA Bold & Gold
 - June 29, 2023 YouthCare
 - September 11, 2023 YouthCare
 - October 18, 2023 Cascade Neighborhood Council
 - Seattle Neighborhood Greenways

Based on this outreach, feedback from these groups confirmed support for new neighborhood space, improved pedestrian and bicycle networks, and highlighted the importance of improving public safety.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 8 of 30

IX. EARLY CITY COUNCIL REVIEW

The Vacation Policies provide that the Council may host a briefing on a new vacation petition. The briefing provides an opportunity for the Council to hear about the vacation, and to provide any early feedback. The briefing also provides an opportunity for the public to provide early comments on the proposal.

The briefings are held after a petition has been accepted and introduced at City Council and early in the review process. The goal is for the Petitioner to present the vacation to the City Council and the community before the elements of the formal review process such as Seattle Design Commission (SDC), Design Review Board (DRB) meetings, Street Improvement Permit (SIP) review, or other city procedures have begun to identify issues and work to refine the proposal.

An early Council briefing was held on March 7, 2023, at the Transportation and Seattle Public Utilities Committee. During that briefing the Committee asked clarifying questions regarding the proposed research and development use of the property and requested information regarding business displacement.

X. REGULATORY REVIEW & ISSUE IDENTIFICATION

The vacation proposal was circulated to various city departments, outside agencies, and community groups to identify any issues specific to the alley vacation. The vacation review process also includes review by the Seattle Design Commission (SDC).

Development projects proposing a vacation are also obligated to comply with any applicable regulatory and environmental regulations. In addition to the vacation review, this project is subject to:

- Early Design Guidance (EDG):
 - December 4, 2019 EDG Meeting 1
 - o July 6, 2022 EDG Meeting 2
 - November 16, 2022 EDG Meeting 3
- Master Use Permit (MUP): complete application submitted to SDCI on February 8, 2023
- Design Review Recommendation: July 19, 2023
- Preparation of a SEPA Checklist: completed January 24, 2023
- Preparation of a traffic study: completed June 8, 2023
- Land Use and Zoning review: correction cycle completed August 28, 2023, awaiting vacation approval
- SPU Solid Waste Approval: issued July 18, 2023

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 9 of 30

- Street Improvement Plan (SIP) review: 60% approval granted September 8, 2023; 90% submission in January 2024.
 - Relevant meetings with SDOT and other agency stakeholders
 - December 15, 2022 Check-In w/ Jackson Keenan-Koch
 - February 10, 2023 Check-In w/Jackson Keenan-Koch
 - July 13, 2023 Check-In w/ Jackson Keenan-Koch, Mick Dawn, Hallie O'Brien, and John Marek
 - August 3, 2023 60% Design Guidance
 - September 26, 2023 Check-In w/ Mick Dawn
 - November 8, 2023 Check-In w/ Mick Dawn, Beverly Barnett, Jeanette DuBois
 - May 31, 2023 Public Space Programming
 - August 8, 2023 ROW Drainage Strategy (SDOT/SPU)
- Utility Major Permit (UMP): submitted July 6, 2023, submitted 90% plan October 16, 2023

The purpose of the broad review of the vacation petition is to identify issues that need to be addressed through the vacation process by changes to the project or by adding vacation conditions. The various regulatory reviews would address code-related issues for the project and overall development. The vacation comments, summarized below, reflect any issues identified during the initial portion of the review. The comments reflect a "snapshot in time" when the comments were received and do not reflect any project revisions, updates, or responses to comments. All the comments received are a part of the record and are not revised or amended by SDOT. The comment section does not reflect the resolution of the issue, subsequent design changes, or mitigation.

Subject (Dept/Division)	Comments			
SDOT Real Property	No Comment			
Comcast	We are only utilizing the poles on Denny way, south of the proposed lots. We do not have any infrastructure in the alley.			
SCL Street Lighting	Existing light poles are not shown, new trees need 20' clearance from street light poles, 15' from pedestrian light poles			
PSE	 Contact MapRequest@pse.com for all as-built drawings regarding utility locations in the project area. Please add notes for the following: Maintain a minimum 1' vertical separation when crossing gas mains or services. Maintain a minimum 3' horizontal separation when running parallel to gas mains or services. 			

Subject	Comments
(Dept/Division)	 If HP or > 4" Pipe is encountered, please add a note to contact PSE PI Inspector before working near HP or > 4" gas mains Coordinate with PSE Customer Construction Services at 1-888-321-7779 and a PSE project manager for relocation of gas mains and services as needed. Locate and protect all gas facilities in the field. This vacation proposal meets or exceeds the street improvement requirements for the current development. In addition, the applicant team has demonstrated that all
SDOT Development Review	required loading facilities and solid waste collection can occur from below-grade on the project site, without impacts to the public ROW. The applicant proposes several features of public benefit. I have comments on two of these items: First, SDOT is open to the applicant's proposal to convert the lower Denny Roadway to a curbless treatment and provide pedestrian amenities with restricted access to emergency vehicles only. However, as there are limited pedestrian draws to the location beyond access to the site itself, the value of the improvement to the general public may be limited. Second, SDOT supports the proposal for a protected bicycle lane along the project frontage on Eastlake Avenue East. We encourage the project team to study opportunities to make this improvement more generous, including by removing parking on Eastlake, freeing up space to widen the sidewalk and expand a landscaped buffer out to the existing edge of the roadway. If the protected bicycle lane concept and curbless treatment of the lower Denny Roadway do advance as a part of the public benefit package, the Development Review team will provide planning for 0-30% civil design of these improvements under a major Street Improvement Permit.
SDOT Parking Operations	With the vacation of the alley, the project should ensure that all code requirements for loading berths are met on site and understand that vacating the alley removes a location for commercial vehicle loading. This may require additional loading to be designated in the adjacent curb lane on Eastlake Avenue East where curbspace remains. The project should take this into consideration when designing the landscape area along Eastlake Avenue East. Additionally, the removal of the alley also removes the ability to stage waste containers in the ROW in a way that does not interfere with vehicle or curbspace operations on a street right-of-way. With vacating the alley, SDOT recommends that the project coordinate with SPU solid waste to provide waste staging and collection from the private parcel.
SDOT SIP Review	Coordinate to have all utilities relocated out of existing alley
SDOT Urban Forestry	No Action required/no comments

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 11 of 30

Subject (Dept/Division)	Comments			
SPU Water Sewer Drainage	No Action Required			
SDCI Land Use Review	As the SDCI Land Use Planner for the associated MUP (3034759-LU) I support the petition, as it allows for a design that better meets the intent of the Design Guidelines.			

XI. DESIGN COMMISSION REVIEW

The Seattle Design Commission (SDC) reviews all vacation proposals and provides advice to the City Council and city departments on specific elements of the proposal. The SDC focuses their review on two areas established by the City Council in Resolution 31809: how the loss of the right-of-way impacts the functions of the remaining rights-of-way near the project, the public trust functions and how improvements to the public realm offset the loss of the right-of-way, and the public benefit obligation. To evaluate the implications of the loss of the right-of-way, the SDC considers elements such as the community context, how project features such as building orientation and scale are affected, how utilities are modified as a result of the loss of the right-of-way, and how the project engages with the public realm around the development site. The SDC is particularly interested in the community engagement plan and how the goals of the community are reflected in the development and the public benefit features.

Following the review of how the elements of the right-of-way are modified by the vacation, the SDC considers the proposed public benefit package. This includes a review of whether the proposed features are of value to the public and rise to the level of public benefit. The review considers whether the public benefit elements are public in nature and how the elements exceed any project related improvements or code requirements that benefit the project over the public. Finally, the SDC review considers whether the public benefit public benefit proposal is adequate considering the scale of the project, the loss of the public right-of-way, and the impacts of the vacation.

The SDC reviewed the Project during the following meetings:

- August 14, 2019 pre-petition review with SDC subcommittee (prior iteration of project and different project proponent)
- November 3, 2022 pre-petition review with SDC subcommittee (reflecting changes)
- April 4, 2023 Public Trust
- August 17, 2023 Public Benefit 1
- September 21, 2023 Subcommittee Meeting Public Benefit Proposal
- November 16, 2023 Public Benefit 2

The meeting minutes and presentations to the Design Commission are a part of the Clerk's File and can also be found at: <u>https://www.seattle.gov/designcommission/project-reviews/current-project-reviews/1305-stewart-alley-vacation</u>

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 12 of 30

August 14, 2019: at the 1st pre-petition review the SDC provided the following comments:

- 1. The location of automobile and truck access and how both features are designed to limit their appearance and impact on the public realm. The loss of the alley forces vehicular access to open onto adjacent streets, as opposed to the alley where these functions would not be visible to the public. Minimizing the width and height of the features on the public realm is crucial.
- 2. The future location of utilities serving the site will be of interest, including how solid waste facilities for garbage and recycling will be located in the context of the public realm.
- 3. The proposal assumes the creation of a significant open space at the western portion (prow) of the site. The size of the open space in the context with the surrounding pedestrian network will be important to understand. As the immediate neighborhood has other open spaces, both public (Denny Substation) and private (REI), as well as those being developed with other adjacent alley vacation sites, it will be important to understand its role in the immediate open space network.
- 4. The Denny and Stewart intersection ranks as one of Seattle's most problematic intersections relative to pedestrian safety and auto/truck/ped conflicts. How this proposal attempts to address this issue will be of interest, including enhanced sidewalks, improved connectivity, or other public realm enhancements.
- 5. The at grade segment of Denny abutting this site will be crucial to circulation around the block. How this circulation network functions, including its relationship to the building, will be important to understand.
- 6. Eastlake Avenue East is designated as part of the bicycle network. How the future development and public realm enhancements impact Eastlake and its role for both bikes and peds will be important to understand.
- 7. The building massing for development realized with this vacation can have a significant impact on the function and desirability of the proposed open space. Attention should be paid to how building massing and setbacks (both vertical and horizontal) can be utilized to support use of the proposed open space.
- 8. Similarly, building uses along the portion fronting any open space will be an important element. Attention should be paid to how ground level uses impact the open space, to ensure that the space is visually and functionally separate from the open space and its identity as public space.

November 3, 2022: at the 2nd pre-petition review following the design changes to the project, the SDC provided the following comments:

- 1. The pedestrian environment at lower Denny and Eastlake under the Denny Way flyover should be activated through light, color, uses, or other means that respond to this unique portion of the right-of-way near and abutting the project site.
- 2. A better understanding is needed about the role that lower Denny will play in circulation, access, and neighborhood identity independent of its role to support and enhance the building use and identity.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 13 of 30

- 3. A strong pedestrian network should be created along Stewart Street due to its location as a gateway off of I-5 and as a result of the opportunities created through vacating the alley. Any solutions should also consider the context created by the residential development on the north side of Stewart Street (MUP 3033060), also being designed by the same architecture and landscape architecture team on this vacation project.
- 4. Understanding the role of the proposed open space at and near the Stewart/Denny/lower Denny intersection as a place independent of the building identity and function.
- 5. All of the approaches to minimize the visual and functional impacts of automobile and truck access to the building along Eastlake, as the vacation moves to the required access from the street to the alley.
- 6. How the location and massing of the building along Stewart adds or detracts from the creation of a significant pedestrian route, in support of item #3 above.

April 4, 2023: at the meeting the SDC voted, 10-0, to approve the public trust phase of the project with the following recommendations:

- 1. Revise the public outreach strategy to include more substantial engagement with nearby developments including YouthCare, Melrose Promenade groups, Mirabella (seniors), Cascadia childcare, Manuel Lutheran, and Cascade neighborhood, including options to enhance safety measures for children and seniors.
- 2. Coordinate with DSA (Downtown Seattle Association) and ranger staff.
- 3. Consider including funding and support for active programming to encourage and ensure the activation of the proposed open spaces.
- 4. Continue to prioritize lighting considerations for the project.
- 5. Activate the facade along Eastlake to enhance the streetscape.
- 6. Review truck circulation and make necessary adjustments.
- 7. Reduce the height and width of the parking/loading access to the minimum needed for access.
- 8. Ensure that the public realm maintains a distinct and inclusive identity, separate from the private open space.
- 9. Explore opportunities to lighten the massing of the buildings to create a more open and inviting atmosphere.
- 10. Collaborate with SDOT on the design of the south crossing of Stewart.
- 11. Incorporate equity considerations into the design of public space.
- 12. Address fire department access requirements to ensure safety and compliance.

August 17, 2023: the SDC did not vote on the public benefit package but provided the following comments:

The SDC had the following comments:

Lower Denny Way ROW improvements

• How have you refined the landscape and design concepts in lower Denny Way in their relationship to pedestrian movements, and physical experience, building programming

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 14 of 30

and activities, needed infrastructure, the lower Denny Way wall, and potential programming areas within the space to reflect community engagement

- Financial commitment to funding artistic endeavors at lower Denny Way
- Questions regarding the strategy to provide a mural or other artistic element on the lower Denny Way wall and its relationship to the quality and character of the lower Denny Way pedestrian and neighborhood experience
- Physical relationship between the planned restaurant spaces and program areas in the lower Denny Way pedestrian areas, including how grade changes affect connections among the two areas
- How do you know food trucks will be available and interested in lower Denny Way?
- How will building design and programming enhance the lower Denny Way and Eastlake Avenue East pedestrian experiences?
- Will there be publicly accessible bathrooms as well as drinking fountains?

Mural

- Status of SDOT permitting for the proposed mural or other element artistic endeavor on lower Denny Way, and the role of any art consultants, City staff, neighborhood groups and individuals, or other entities in developing and executing outcomes
- Agreements with the City's Office of Arts and Culture or other City departments in connection with artist selection and to review and approval of a mural or other artistic element planned for the lower Denny Way wall

Programming plans

- How shadowing and noise will affect future programming in the proposed lower Denny Way pedestrian street and how these aspects will be considered in the design of physical improvements
- The relationship between programming plan concepts and the Commissions August 2017 policy on accepting programming in a public benefit package, including staffing, funding, management, and operations
- The nature and commitment to funding programming activities planned for the lower Denny Way pedestrian areas
- What are the long-term financial and other commitments to management of your programming activities in lower Denny Way, including individuals needed, their relationship to building owners/managers/users, and community members
- How utilities are being planned into lower Denny Way for future programming

Eastlake Ave East

- Whether the proposed Eastlake Avenue East bike lane is one or two way and its relationship to the Seattle Bike Master Plan
- The relationship between the Eastlake Avenue East bike improvements, the surrounding pedestrian and vehicular context, and north/south neighborhood connections

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 15 of 30

• The size and scale of the proposed Eastlake Avenue East building screening and its relationship to passing pedestrians and bicycles

Drainage

- Location of the site in the context of the swale on Yale drainage basin
- Proposals to collect and treat stormwater around the site independent of any part of the public benefit package, including partnerships with Seattle Public Utilities
- Is Stewart Street part of the swale on Yale system and how it is considered to exceed project related requirements by Seattle Public Utilities

November 16, 2023: the SDC approved the public benefit package 9 to 0.

At this second public benefit meeting, the design team presented a comprehensive overview of the proposed public benefit package on how designs have been advanced since the August 17, 2023, Commission meeting and a September 21, 2023, subcommittee meeting. The subcommittee meeting was held by Commissioners to provide input on proposed changes to the public benefit package.

The design team highlighted substantive changes to the project designs due to additional public engagement and the reflect the Commission's previous input, including:

- 1. Refinements to the Eastlake Avenue East landscape plan concerning tree species and location
- 2. Confirmation of the fire/emergency access route within the lower Denny Way right-ofway improvements including lighting and removable bollards
- 3. Inclusion of a bike fix-it station and drinking/water bottle refilling station by the Eastlake protected bike lanes.
- 4. Refinement of the location of water and power hookups for temporary/intermittent uses, and the location of a storage space for events
- 5. Confirming that any mural or other artistic work will be confined to the portion of the Denny Way structure abutting lower Denny Way only, along with updates on the artist selection process.
- 6. Confirmation that any artistic work applied to the wall abutting lower Denny Way will have a 50-year term, along with the initial plans for maintenance.

Upon review the SDC approved the public benefit package 9 to 0 with the following recommendations:

1. Safe and Clear Connections: Enhance the safety and clarity of connections to and from the site. This involves ensuring that pathways and access points are well-defined and secure, providing a straightforward and safe experience for all site users.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 16 of 30

- 2. Clarity on Public and Private Spaces: Clearly delineate public and private areas within the site. This clarity is crucial to ensure that visitors can easily distinguish between spaces they are free to access and those that are restricted, enhancing the overall usability and experience of the site.
- 3. Conservation and Mural Lifecycle: Engage a professional conservator to oversee the maintenance and longevity of the mural. This will involve regular assessments and appropriate interventions to ensure the mural remains in good condition over its intended lifecycle.
- 4. Electrical Reconnection Opportunities: Work with SDOT to determine if they can provide stubbed up electrical access for food trucks on the south side of lower Denny Way. This would prevent electrical access from needing to be run across the surface of the street and therefore would eliminate the ADA impediment that surface electrical presents. This would require that they run electrical under the pavers within the ROW.

XII. POLICY FRAMEWORK

Street vacation decisions are City Council decisions as provided by State statute and have not been delegated to any City department. There is no right under the zoning code or elsewhere to vacate or to develop public right-of-way. Vacating public right-of-way requires discretionary legislative approval that must be obtained from the City Council, and the Council may not vacate public right-of-way unless it determines that to do so is in the public interest. The City uses a two-part test to determine whether a vacation is in the public interest. First, the City undertakes a "Public Trust Analysis," a determination of whether the street is needed and whether the public interest can be protected if the street is vacated. Second, the City undertakes a "Public Benefit Analysis," assessing the Petitioner's proposal to provide benefits to the public.

Established plans, policies, and standards guide this review as called for by the Vacation Policies. The City will not support vacations that conflict with City planning goals, particularly if the vacation would be inconsistent with the desired intensity of development and preferred uses, or if clear harm would result. Land use policies and codes do not bind the Council's decision to grant or deny a street vacation petition. The Council may condition or deny vacations as necessary to protect the public interest.

The Street Vacation Policies provide that during its review of the petition, the Council will weigh the public trust and land use effects of a vacation, the mitigating measures, and the public benefits provided by the vacation to determine if the vacation is in the public interest. In balancing these elements of the public interest, the Council places primary importance upon protecting the public trust it holds in rights-of-way.

This petition has been reviewed for its consistency with the vacation policies in Resolution 31809, which were in effect when the petition was submitted.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 17 of 30

XIII. PUBLIC TRUST ANALYSIS

City streets are held in trust for the public and the City acts as a guardian for the public in reviewing vacations. The Council may approve vacations only when they are in the public interest. Streets will be retained unless it can be shown that they are not needed for a current or foreseeable public use and the Council is convinced the vacation is in the public interest. The policies define the public trust functions of rights-of-way as being circulation, access, utilities, free speech, public assembly, open space, light and air, and views.

Vacations affect the land use and development patterns in an area by adding to the developable land base, altering the local land division pattern, changing vehicular and pedestrian movement patterns, and increasing the development potential on the vacated and abutting streets. A vacation petition may be approved only when the increase in development potential that is attributable to the vacation would be consistent with the Comprehensive Plan.

The Street Vacation Policies define the public trust functions of right-of-way as providing for circulation, access, utilities, free speech, public assembly, open space, light and air, views, and land use and urban form.

The following information addresses each element as required in the Street Vacation Policies.

Circulation: Streets provide for the movement of people, goods, and vehicles through the city as part of a network. If a part of the network is removed, there may be impacts to the transportation network. The City will only vacate right-of-way if it will not disrupt the movement of people, goods, and vehicles through the city, and only if it is consistent with the City's transportation plans.

The main purpose of alleys is to provide access to the individual parcels on a block and to provide for services and utilities. Alleys generally are not considered part of the larger circulation system and do not provide for the circulation of vehicles around a site or a community. Since the alley proposed for vacation does not continue in the blocks to the north or the south of the site the alley does not provide for continuity of utility infrastructure or service vehicles. No other property owner abuts the alley proposed for vacation. The project design addresses access to the parcels and no impacts to the larger street grid were identified from the loss of the alley.

The existing site has multiple curb cuts providing access to the alley and existing parking lots. The project proposes a single curb cut for parking and loading access on Eastlake Avenue East at the northeast corner of the site, reducing the number of vehicle-pedestrian intersections. Passengers loading is proposed on Eastlake Avenue East. Vehicular access to lower Denny Way will be restricted to emergency and service vehicles only increasing pedestrian and bicycle safety. Bike facilities and transitions at intersections are planned for Eastlake Avenue East in collaboration with SDOT. The new facilities will link Downtown with South Lake Union and Eastlake neighborhoods. Vehicle access will be restricted on lower Denny which will be Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 18 of 30

designed to an Urban Curbless Street standard. Restricting access to lower Denny will also improve pedestrian mobility at the corner of Denny and Stewart through the design of an improved waiting area for pedestrians crossing busy arterial streets.

The work on the development plans through the SDCI review and review in SDOT's Street Improvement Permit (SIP) review and approval process will address specific regulatory, utility, and design standards requirements. The SIP review has reached the 60% level and SDOT can approve the street alignment and street design. Work is continuing to determine the best method to address maintenance, insurance, use fees, and other considerations. The vacation conditions should include obligations for enhancements or deviations to standards related to public benefit obligations or enhancements proposed by the development team. Close coordination between the various review procedures will continue to be important as this project moves forward.

Access: Streets and alleys provide access to individual parcels and provide for access around and through the surrounding and larger community. Streets are designed to provide for the range of transportation modes, including walking, bicycling, transit, and driving. The City will only approve vacations if they do not result in negative effects on the current or future needs of the City's vehicular, bicycle, or pedestrian circulation systems, or on access to private property. If the negative impacts can be appropriately mitigated, the City may choose to vacate the street.

The main function of alleys is to provide access to individual parcels, space to access service, loading areas and parking, and to provide for utility vehicles and services such as solid waste pickup. When the vacation of an alley is proposed the review looks at the impact to the surrounding parcels and whether the service and access uses that should be contained within the parcel are pushed out to the surrounding streets. If the property was developed without the alley vacation the existing alley could continue to provide access to the property east and west of the alley. The use of the alley would keep the project-related services and access away from the surrounding streets.

With the proposed vacation, parking and loading access is consolidated into a single driveway located on Eastlake Avenue East at the northeast corner of the site. Bike access is located on lower Denny Way adjacent to the dedicated bicycle lane on Eastlake Avenue East. The lobby and retail entrances are concentrated on the opposite elevation facing Stewart Street, where existing pedestrian traffic is the heaviest.

The Street Improvement Permit (SIP) review has looked at the access and street level plan for the development and while that review is still under way, it is possible to approve the proposed access. SPU approved the proposed loading access plan on July 18, 2023. As the permitting review moves forward the specific design and dimensions of the garage entry and dimensions and street design issues for Eastlake Avenue East, Stewart Street and lower Denny Way will be finalized.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 19 of 30

Utilities: City and private utilities use streets to serve their customers. The City will only vacate a street when all utilities using or potentially using the right-of-way can be adequately protected with an easement, relocation, fee ownership, or similar agreement satisfactory to the utility owner. The Council will require that future potential utilities can be accommodated.

The review of the vacation did not identify that the loss of the alley would impair current service, reliability, or capacity levels for utility customers. Most utilities for the area are served from adjacent rights-of-way and not from the alley. The existing alley does contain Seattle City Light (SCL) Infrastructure that is required to be maintained. The SCL duct banks and vaults can be rerouted around the west end of the site to provide the same connection as the existing infrastructure. The reroute will not negatively impact SCL's system or ability to maintain their infrastructure and will instead replace older infrastructure that will benefit SCL customers in the area by increasing the reliability of the system.

As the existing alley does not continue to the north or south of the project site, vacating the alley does not limit the ability to expand utility services in the future. There are more efficient routes for future utility pathways in the adjacent rights-of-way. As the proposal moves forward the developer will need to continue to work with Seattle Public Utilities (SPU) and Seattle City Light (SCL) to coordinate the development activity. The SIP and UMP processes identify the utility needs for the proposed development and the service needs for the new Project.

Free Speech: The public has traditionally used Seattle's streets to exercise constitutional rights under the First Amendment ranging from large scale protests to newspaper vendors. Alleys will only be vacated if publicly accessible spaces on the site will be kept open for the same speech-related purposes.

The alley proposed for vacation is open and available for public use, but the alley is unimproved and there are no active adjacent uses that draw the public.

While it is possible for the public to use the alley and to exercise free speech rights in the alley it does not appear to have much value for those purposes. There are no adjacent buildings or uses or the alley such as a neighborhood short cut or route to public spaces. If the block was developed with the alley remaining in place any members of the public who accessed the alley would be behind the buildings with little visibility.

The vacation will remove the alley, but adjacent public rights-of-way will be significantly improved for pedestrians and will include seating and space for community programming. The project's proposal to transform lower Denny Way into an Urban Curbless street with limited vehicle access that will create a safer space for these activities to take place by prioritizing the pedestrian experience, improving lighting conditions, and creating clear sight lines. Lower Denny Way and the project's open space will be contiguous, but signage paired with differentiation in materiality will demarcate the transition between purely public space and privately owned public space.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 20 of 30

The proposed improvements will be in public right-of-way, and this means that the public has the right to access and use them. This improved right-of-way space will provide more meaningful opportunities for freedom of expression. The vacation should be conditioned to require that free speech be protected on the public spaces around the project.

Public Assembly: Streets also act as places for people to gather, to meet others in the community, space for children to play, and for all segments of society to interact. The role of the right-of-way can be particularly important for people who have the fewest resources. The Council will consider the importance of each street or alley as a place for community activity in considering any vacation. As noted, alleys function as the back door of a block and provide important space for services and access to property but generally don't provide space for the public to gather.

The alley does not currently serve as a place of public assembly nor is it adjacent to a public use. Even if the right-of-way was retained and improved as part of a different project it is unlikely that it would have much value as a space for the public to gather. The alley provides for loading, parking, and services making it an unlikely space for public assembly. The open spaces provided by the new development are specifically intended to provide for an enhanced pedestrian environment for the community to gather.

Open Space: Streets provide spaces for people to gather, interact, and travel, and offer open space benefits. The open space opportunities provided by streets are important resources that contribute to quality of life and become more valuable as the City becomes more densely developed. The contribution of this important street function to the public's existing and future quality of life will be an important consideration when reviewing each proposed vacation. The open space functions provided by the right-of-way will be identified and the effects of their loss will be analyzed.

The alley proposed for vacation includes about 2,698 square feet. The proposed building includes a deep building setback along Stewart Street, providing this primary pedestrian route with open space, air, and light, with publicly accessible privately owned open space. Limiting vehicular access on lower Denny Way to emergency and city maintenance vehicles affords the opportunity to create an improved pedestrian street and a publicly accessible private plaza and civic gesture at the corner of Denny Way and Stewart Street while having the added benefit of providing for a safe waiting area for pedestrians crossing busy arterial streets.

Light and Air: Streets and alleys maintain access to light and air to their users and to surrounding property. The Council will consider the loss of light and air, and shadow impacts in considering whether to approve a street vacation. Shadow impacts on public spaces will be given importance. The street grid provides consistency in the development pattern. Streets provide for open, undeveloped space, breathing room, and access to sunlight between buildings. Streets provide for light and air onto buildings and public spaces.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 21 of 30

The alley proposed for vacation is an alley segment that is not part of a continuous alley grid that creates a balanced pattern of space and buildings. The scale of the building proposed on the consolidated site is consistent with the zoning and for anticipated new development in the area. The proposed alley vacation will not increase shadows on public parks and public open spaces because of the increase in development potential. While the proposed alley vacation increases the allowable floor area, it has no effect on the maximum building height (240 ft) or the maximum tower floor plate (24,000 sf). The proposed alley vacation instead allows for greater flexibility in how the building is placed on the site. The building has been arranged to allow for a generous plaza at the southwest corner of the property, bringing more light and air into the public realm along Stewart Street and Denny Way. The vacation will support development that is consistent with the anticipated development pattern and will not have significant impacts on light and air, or shadow impacts on any public spaces.

Views: Street and alleys provide views to mountains, bodies of water, and the city itself. The City will protect designated view corridors along specifically identified streets. The City will consider impacts of a street vacation on views of designated public places and designated landmarks.

Should the vacation be approved, the alley will be developed but there is not a loss or diminution of any public views. With or without the vacation, at grade level the only views are of the buildings and streets around the site.

The design team considered how the proposed project will be viewed from Interstate 5 and the Stewart Street exit. From this southbound approach, the building forms a gateway to the city along with the recently approved residential tower at 1370 Stewart Street. The building does not obstruct views of the taller downtown built environment beyond, but rather frames it through curvilinear corners and a generous setback along Stewart Street that angles away from the property line. The building's main entrance and retail spaces front Stewart Street, where the most vehicular and pedestrian activity is expected. If the alley is not vacated, the potential to activate Stewart Street is decreased in order to maximize the development potential.

There are no views of importance that will be lost by vacating this alley.

Land Use and Urban Form: Streets and alleys also play a significant role in the shape of the city. The City will consider the relationship between the intended character of the area as described in Seattle's Comprehensive Plan and other adopted neighborhood, subarea, or community plans. The width and spacing of streets, the presence and absence of alleys, and the location and path of boulevards and other linear open spaces have significant impacts on neighborhoods and how they function. The Council will pay attention to vacations that disrupt an existing pattern of development in the neighborhood. The Council may place conditions on a vacation to mitigate negative land use effects.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 22 of 30

This project is consistent with zoning and would be consistent with the scale of any future developments. The project proposes to vacate an alley that is not part of a connected alley system and only serves its block. This proposal is consistent with other recent developments in the South Lake Union neighborhood. For example, the nearby full block developments with the Seattle City Light Substation and REI do not contain alleys, but instead provide substantial open spaces that enhance the public realm.

No adverse land use impacts were identified.

XIV. PUBLIC BENEFIT ANALYSIS

The Street Vacation Policies note that a vacation shall include a commitment to provide public benefits. The concept of providing a public benefit is derived from the public nature of streets. Streets, whether improved or unimproved, provide important benefits to the public. Among the various benefits are preserving the street grid that provides for consistency in the development pattern and influences the scale and orientation of buildings. Streets provide for breathing space, open space and views, natural drainage, and urban wildlife corridors. These benefits are in addition to the public functions provided by streets including moving people and goods in vehicles, on foot, or by bicycle; and providing for current and future utility services, for street trees, and for other amenities.

Vacations cannot be granted for a purely private benefit. Before this public asset can be vacated for private purposes, there shall be a permanent or long-term benefit to the public. To best address the needs of the community, a strong focus on race and social equity is important in assessing the public benefits included as a part of vacation petition. The Vacation Policies stress the importance of the public benefit proposal responding to the needs of those most vulnerable to the negative impacts of development.

Proposed vacations may be approved only when they provide a permanent or long-term public benefit. Because the public permanently loses the street, short-term public benefits or public benefits that solely benefit individuals will not be considered. The Vacation Policies specify that the following are not public benefits:

- Mitigating the vacation's adverse effects;
- Meeting code requirements;
- Paying the required vacation fee;
- Facilitating economic development; or
- Providing a public, governmental, or educational service.

The vacation review looks very closely at the proposed public benefit package. SDOT, various City staff, and the SDC considered the amenities proposed for the vacation and whether the package was adequate.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 23 of 30

Public benefit elements must also exceed elements required by the Seattle Municipal Code or mitigation required under the State Environmental Policy Act or other regulations and is in addition to vacation fees and other obligations. The public benefit proposal should recognize the loss of the benefits provided by the street to the public and the gains received by the Petitioner.

The public benefit proposal should reflect the comments, ideas, and concerns voiced by the public during the early community engagement work. The public benefit must be more than compensatory and should provide something of benefit to the public. In addition to addressing the scale or amount of public benefit that must be provided, the policies are clear that the public benefit elements proposed must clearly benefit the general public and not merely the project's tenants.

The public benefit proposal includes enhancements to the right-of-way including improvements to the intersections of Stewart Street and Denny Way and Stewart Street and Eastlake Avenue East, Eastlake Avenue East right-of-way improvements including a dedicated bike lane, conversion of lower Denny Way to an urban curbless pedestrian street, providing private infrastructure for public use to facilitate use of lower Denny Way, contracting with Urban Artworks to develop and design an artistic endeavor (mural) at the northern face of the northern facing bridge abutment at lower Denny Way, and providing for wayfinding signage.

Each public benefit proposal is outlined in detail below.

Right-of-way enhancements

Right-of-way improvements add to the pedestrian experience and help to create a sense of community in an area, but right-of-way enhancements do not always rise to the level of public benefit. New development proposals must meet code requirements and do sometimes add to the public realm around a project to enhance the leasing and retail opportunities. To be considered a public benefit, the enhancements need to support the general public use of the area and not merely support private development. Previous vacations have included elements that support the public by providing voluntary building setbacks to create wider sidewalks and create space for street furniture, wayfinding, art, pedestrian lighting, and other amenities. The proposal for enhancements around the project is consistent with other public benefit proposals supported by the City Council and should be considered as public benefit.

Pedestrian Crossing—Stewart Street and Denny Way

The current entrance to lower Denny Way from Stewart Street is very close to the intersection of Denny Way and limits the waiting area for pedestrians crossing the street. The proposed public benefit includes relocating the entrance to the new Urban Curbless street further north along Stewart Street to create a generous waiting area for pedestrians while also serving as a gathering space. The new entrance will be at sidewalk level, prioritizing pedestrian and limiting vehicular access to lower Denny Way to emergency and city maintenance vehicles. New curb ramps, crosswalks, landscaping, decorative surfacing, and seating will be included in the design.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 24 of 30

Eastlake Avenue East ROW improvements and pedestrian crossing at Stewart and Eastlake Eastlake Avenue East is a wide, underutilized, one-way northbound street adjacent to I-5. Three lanes merge into two lanes as the street approaches the busy intersection with Stewart and John Street, and two major exits from I-5. The right-hand turn lane at Stewart Street has been closed with concrete barriers, limiting vehicles to northbound movements only. The street also contains back-in angled parking on the west side of the street. A new protected bike lane is planned north of John Street connecting to Thomas Street and continuing north on Eastlake Avenue East. The proposed public benefits include extension of the existing curb east near the centerline of the road to create space for a new protected bike lane, on-street parking, sidewalks, planting strips with street trees and site furnishings. These proposed improvements have been approved by the SDOT SIP team including tree spacing and type, lighting, and furnishings and their relations to the curbs, facade and building access, and driveway location. Off-site improvements at the intersection of Eastlake Avenue East and Stewart Street include new sidewalks, planting and street trees, and curb ramps and crosswalk striping to facilitate safe crossing of arterial streets for pedestrians and cyclists.

Lower Denny Way Curbless Street

Lower Denny Way currently serves primarily as an access point to the existing buildings and uses on the project site. It is one way (eastbound) and provides access to the existing alley and Eastlake Avenue East. The street receives low volumes of traffic and there are few reasons for cars or pedestrians to use the street in its current form. The proposed public benefit includes the design and construction of an Urban Curbless street type as defined by Streets Illustrated. The street will primarily serve pedestrians and cyclists and is designed to accommodate permitted programming such as food trucks or community events. lower Denny Way will be closed to daily vehicular access. Temporary access is anticipated for SDOT maintenance vehicles, emergency vehicles, building facade maintenance equipment and permitted street use events including food trucks. The Petitioner shall be responsible for maintenance of nonstandard elements in the rightof-way but the use of the area for community events shall require permits from SDOT.

Enhancements to Public Right-of-Way

The project proposes to provide enhancements to the existing public right-of-way to enhance pedestrian and community use. This includes seating, bike racks, a bike fix-it station, access to a 150 sf storage room, a water bottle filling station, and power and water hook ups for event use. Street furniture, landscaping, and wayfinding are also proposed. The bottle filling station, bike racks, and bike fix-it station are available for use at all times by the public. If a member of the public would like to use the storage room or the water and power hookups, the project team has developed operations and maintenance guidelines for the use of this infrastructure and will have a dedicated employee accessible to respond to public enquiries and provide access to the infrastructure.

Artistic Endeavor (mural)

The existing El Corazon building at the corner of lower Denny Way and Eastlake Avenue East contains murals supporting placemaking and creating a local identity. Lower Denny Way also presents a canvas and currently contains graffiti along its north facing abutment. The proposed

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 25 of 30

public benefit includes engaging local artists through the organization Urban Artworks to create a mural along the northern facing bridge abutment at lower Denny Way. The process will be led by Urban Artworks and will include a process of artist selection by a selection committee consisting of community members, a member of the Seattle Design Commission, and representatives from the development team. Urban Artworks would coordinate community paint days to paint the mural and would be responsible for final touch-ups and cleanup. A mural or art graphics in the right-of-way would require a permit from SDOT. It is anticipated that a longterm public amenity use permit with Public Space Management and the vacation conditions will address all the obligations relating to the mural. The proposed mural has been discussed with the SDOT SIP team, Public Space Management, and Bridge Structures. The development team would be responsible for maintaining the mural for 50 years.

Wayfinding Signage

There are currently very few wayfinding elements in the vicinity of the project site giving direction to pedestrians and cyclists. The proposed public benefit includes contributions to the Seamless Seattle Pedestrian Wayfinding program for implementing relevant sign types for pedestrians and cyclists. SDOT will be responsible for implementing the signs including selecting sign type. The project team will coordinate footings with SDOT and will install as part of the SIP improvements.

Public Benefit Description	Item	Code Req'd	Quantity	Estimated Cost
1 - Pedestrian Crossing - Stewart and Denny	COS standard sidewalk surfacing	None	629 SF	\$89,000
New sidewalk areas, curb ramps,	COS standard curb ramp		4	
crosswalk striping to facilitate safe crossing of arterial streets.	COS standard crosswalk striping		Allowance	
2 - Pedestrian Crossing - Stewart and Eastlake	COS standard sidewalk surfacing and planting		1,232 SF	
New sidewalk areas, planting, curb	COS standard curb ramp	None	6	\$148,000
ramps, crosswalk striping to facilitate safe crossing of arterial streets.	COS standard crosswalk striping		Allowance	

The elements of the public benefit proposal are outlined in the matrix below.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 26 of 30

Public Benefit Description	Item	Code Req'd	Quantity	Estimated Cost
3 - Eastlake Avenue East ROW Enhancements Extension of existing curb to create new space for pedestrian and bikes	COS vehicular concrete and sidewalk surfacing, planting, soil, and irrigation	None	8,509 SF	- \$1,579,000
	Street Trees		9	
beyond SIP requirements. Improvements include bike facilities,	Bike racks		4	
on-street parking, planting and street	Pedestrian light poles		8	
trees, street and bike channelization, and pedestrian lighting.	Benches		6	
4 - Wayfinding Signage Monetary contribution to the city's Seamless Seattle Wayfinding program for new signage near project site implemented by SDOT.	COS standard signs and foundations implemented by SDOT	None	3 signs	\$75,000
5 - Lower Denny Way Pedestrian Street Conversion of lower Denny Way to Urban Curbless with restricted access	COS vehicular concrete surfacing with specialty scoring, finish and color, planting, soil, and irrigation	None	5,874 SF	\$953,000
for service and emergency vehicles.	Street Trees		8	
Improvements will include new	Pedestrian Light Poles		7	
surfacing, drainage, planting and irrigation, lighting, power and site	Benches		18 LF	
furnishings.	Removable Bollards		6	
6 - Private Infrastructure for Public Use Publicly accessible infrastructure for public use including a storage room, potable water and power for event use	Storage Room - Dedicated storage room with direct access to lower Denny Way	None	150 SF	- \$80,000
	Power - wall mounted and pylon sources		2	
and a drinking fountain. Instructions and rules for accessing the publicly	Potable water - wall mounted hydrant		1	
accessible infrastructure will be made publicly available prior to final Certificate of Occupancy.	Bottle Filling Station		1	
7 - Artistic Endeavor (Mural) at Denny Way Overpass Urban Artworks led project to create mural on the northern face of Denny Way bridge structure.	Painted mural surface for 50 years	None	3,200 SF	\$225,000

The 1305 Stewart Project is a strong development proposal that includes a number of elements that support the public beyond the public benefit obligations as defined by the vacation policies. The public benefit package will create significant and usable open space in the community and will create an upgraded pedestrian environment. The addition of the artistic endeavor or mural creates an opportunity for artists and community members to help define the public space.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 27 of 30

XV. RECOMMENDATION

SDOT recommends that the Council grant the vacation upon the Petitioners meeting the following conditions. The Petitioner shall demonstrate that all conditions imposed by the City Council have been satisfactory, including completing and recording of easements or other agreements, and all fees paid, prior to the passage of the street vacation ordinance.

- 1. The vacation is granted to allow the Petitioners to build a project substantially in conformity with the project presented to the City Council and for no other purpose. The project must be substantially in conformity with the proposal reviewed by the City Council.
- 2. All street improvements shall be designed to City standards, as modified by these conditions to implement the Public Benefit requirements and be reviewed and approved by the Seattle Department of Transportation (SDOT) through a Street Improvement Permit (SIP).
- 3. The utility issues shall be resolved to the full satisfaction of the affected utility prior to the approval of the final vacation ordinance. Prior to the commencing any development activity on the site, the Petitioner shall work with the affected utilities and provide for the protection of the utility facilities. This may include easements, restrictive covenants, relocation agreements, or acquisition of the utilities, which shall be at the sole expense of the Petitioners.
- 4. It is expected that development activity will commence within approximately 2 years of this approval and that development activity will be completed within 7 years. To ensure timely compliance with the conditions imposed by the City Council, the Petitioners shall provide SDOT with Quarterly Reports, following Council approval of the vacation, providing an update on the development activity, schedule, and progress on meeting the conditions. The Petitioner shall not request or be issued a Final Certificate of Occupancy (C of O) until SDOT has determined that all conditions have been satisfied and all fees have been paid as applicable. If development activity has not commenced within 7 years the Petitioner must seek an extension of the approval from the City Council.
- 5. In addition to the conditions imposed through the vacation process, the project, as it proceeds through the permitting process, is subject to review under the State Environmental Policy Act (SEPA) and to conditioning pursuant to various City codes and through regulatory review processes including SEPA.

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 28 of 30

- 6. The Petitioner and/or Development team shall continue to provide the information regarding the review and implementation of the proposed and required regulatory elements such as the SIP and UMP, the recommendations from the SDC, and the vacation conditions. It shall be the responsibility of the Petitioner and/or Development team to provide information to review bodies and make sure that the varying elements can be implemented as required by City Council. If project changes or regulatory provisions substantially impact any vacation conditions, including the public benefit features, SDOT Street Vacations will facilitate a resolution of any conflicts. SDOT may require review by the Seattle Design Commission staff to address substantial changes to public benefits or issues and confirm compliance with these conditions.
- 7. Public amenities and any nonstandard elements in the right-of-way shall require a binding mechanism to ensure that the features remain open and accessible and to outline future maintenance and insurance provisions. This may, as determined by SDOT, include a public amenity permit, provisions in the SIP, or inclusion of ongoing obligations in the vacation Property Use and Development Agreement (PUDA).
- 8. Any artistic elements or mural applied to structural walls that support Denny Way at or near lower Denny Way as part of the required public benefits must be maintained by the Petitioner for a term of 50 years from the date of application as allowed by SDOT. At the end of the 50-year term or upon any request by SDOT for removal of the artistic element, the obligation for the Petitioner to provide and maintain the artistic endeavor on the structural walls as a public benefit will cease.
- 9. Free speech activities such as hand billing, signature gathering, and holding signs, all without obstructing access to the space, the building, or other adjacent amenity features, and without unreasonably interfering with the enjoyment of the space by others, shall be allowed within the public realm. While engaged in allowed activities, members of the public may not be asked to leave public streets for any reason other than conduct that unreasonably interferes with the enjoyment of the space by others. Signage clearly identifying that lower Denny Way is a public street and free speech activities are allowed in the public realm shall be provided. A mockup of the proposed signage and a map of the proposed locations shall be provided to SDOT Street Vacations for review and approval prior to the fabrication and installation of the signage. Any violation of these conditions will be enforced through Chapter 15.90 of the Seattle Municipal Code.
- 10. The Petitioner shall develop and maintain the public benefit elements as defined by the City Council. A Property Use and Development Agreement (PUDA) or other binding mechanism shall be required to ensure that the public benefit elements remain open and accessible to the public and to outline future maintenance obligations of the improvements and insurance provisions. The final design of the public benefit elements shall require the review and approval of SDOT Street Vacations. SDOT may engage with the Seattle Design Commission administration in this review. The public benefit requirements include the following features and corresponding development standards, including approximate square footage dimensions, which shall be outlined in the PUDA:

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 29 of 30

Public Benefit Description	Item	Code Req'd	Quantity	Estimated Cost
1 - Pedestrian Crossing - Stewart and Denny	COS standard sidewalk surfacing	None	629 SF	\$89,000
New sidewalk areas, curb ramps, crosswalk striping to facilitate safe	COS standard curb ramp		4	
crossing of arterial streets.	COS standard crosswalk striping		Allowance	
2 - Pedestrian Crossing - Stewart and Eastlake	COS standard sidewalk surfacing and planting		1,232 SF	\$148,000
New sidewalk areas, planting, curb ramps, crosswalk striping to facilitate	COS standard curb ramp	None	6	
safe crossing of arterial streets.	COS standard crosswalk striping		Allowance	
3 - Eastlake Avenue East ROW Enhancements Extension of existing curb to create new space for pedestrian and bikes	COS vehicular concrete and sidewalk surfacing, planting, soil, and irrigation		8,509 SF	
beyond SIP requirements.	Street Trees	None	9	\$1,579,000
Improvements include bike facilities, on-street parking, planting and street	Bike racks		4	
trees, street and bike channelization, and pedestrian lighting.	Pedestrian light poles		8	
1 0 0	Benches		6	
4 - Wayfinding Signage Monetary contribution to the city's Seamless Seattle Wayfinding program for new signage near project site implemented by SDOT.	COS standard signs and foundations implemented by SDOT	None	3 signs	\$75,000
5 - Lower Denny Way Pedestrian Street Conversion of lower Denny Way to Urban Curbless with restricted access	COS vehicular concrete surfacing with specialty scoring, finish and color, planting, soil, and irrigation	5, None	5,874 SF	\$953,000
for service and emergency vehicles. Improvements will include new	Street Trees		8	
surfacing, drainage, planting and irrigation, lighting, power and site	Pedestrian Light Poles		7	
furnishings.	Benches		18 LF	
	Removable Bollards		6	

Honorable City Council 1305 Stewart Street Alley Vacation Recommendation V.6 Clerk File 314512 April 2, 2024 Page 30 of 30

Public Benefit Description	Item	Code Req'd	Quantity	Estimated Cost
6 - Private Infrastructure for Public Use Publicly accessible infrastructure for public use including a storage room, potable water and power for event use and a drinking fountain. Instructions and rules for accessing the publicly accessible infrastructure will be made publicly available prior	Storage Room - Dedicated storage room with direct access to lower Denny Way	None	150 SF	\$80,000
	Power - wall mounted and pylon sources		2	
	Potable water - wall mounted hydrant		1	
to final Certificate of Occupancy.	Bottle Filling Station		1	
7 - Artistic Endeavor (Mural) at Denny Way Overpass Urban Artworks led project to create mural on the northern face of Denny Way bridge structure and maintain for 50 years.	Painted mural surface for 50 years	None	3,200 SF	\$225,000
	TOTAL ESTIMATED COST FOR PUBLIC BENEFITS			\$3,149,000

Sincerely,

Greg Spotts (Mar 19, 2024 17:15 PDT)

Greg Spotts, Director Seattle Department of Transportation

Enclosures