

December 1, 2017

MEMORANDUM

To: Sustainability and Transportation Committee
From: Lish Whitson, Council Central Staff
Subject: Clerk File 314309 (Broad Street vacation) and
Resolution 31786 (800 Mercer and 615 Dexter Ave N RFP)

On Tuesday, December 5, the Sustainability and Transportation Committee will consider two pieces of legislation related to City-owned property in the South Lake Union neighborhood. The first is [Clerk File 314309](#), a petition for the vacation of Broad Street and 8th Avenue N through a block bounded by Mercer Street on the south, Dexter Avenue on the west, 9th Avenue on the east, and Roy Street on the north. At the December 5 meeting, the Committee will hold a public hearing on this vacation, and may potentially vote on its approval. The second is [Resolution 31786](#), which would grant approval to the City Budget Office (CBO) to market this property along with a half block site across Dexter Avenue to the west through a Request for Proposals (RFP) process.

This memorandum (1) describes the properties and conditions to be placed on the street vacation, (2) describes activities to be taken before issuance of the RFP, and (3) recommends amendments to the RFP resolution.

Background

Prior to the Mercer Corridor project, Broad Street connected the Uptown neighborhood with Interstate 5. With the reconnection of Mercer Street across Aurora Avenue N (SR99), the portion of Broad Street between Mercer and Roy streets is no longer needed for transportation purposes. The abandonment of Broad Street has left the Seattle Department of Transportation (SDOT) with two oddly shaped parcels (9,106 and 33,860 square feet) abutting a 61,611 square foot segment of right-of-way.

Beginning in 2014, the Council asked SDOT to pursue the vacation of this segment of Broad Street and develop a proposal for the future use of the consolidated site. The City has also leveraged proceeds from a future sale to finance near-term priorities. Specifically, it was determined in 2015 that proceeds from the sale of the property would be used to pay for the construction of the Mercer West project. In December of 2015, an interfund loan of \$26,300,000 was authorized to be secured by the 800 Mercer Street property. That loan was extended in November as part of the 2018 budget. Also as part of this year's budget process, \$3,600,000 was repaid. In addition, a new loan of \$4,300,000 to be repaid through the sale of the Mercer property was authorized. Together, there are outstanding loans of \$30,600,000 to be repaid from the proceeds of the sale of this property.

Street Vacation (Clerk File 314309)

In July 2016, the Seattle Design Commission recommended approval of the vacation of this segment of Broad Street. On November 29, 2017, SDOT sent a letter recommending the conditional vacation of Broad Street (see Attachment 2). SDOT recommends that the Council place several conditions on the vacation, including the following:

1. The RFP will include vacation conditions and public benefit obligations, as appropriate;
2. Street improvements will be built to City standards and will be reviewed and approved by SDOT;
3. Seattle Public Utility water and sewer lines will be relocated or removed;
4. A permanent easement agreement to the benefit of King County, which has significant wastewater infrastructure under the Broad Street right-of-way, will be placed on the property;
5. Future projects on the site will be subject to SEPA review and conditioning;
6. Development by the future owner of the site of a 60-foot-wide public through-block connector along the path of 8th Avenue North;
7. Development by SDOT of a transit hub along Aurora Avenue N between Thomas and Harrison streets;
8. Development by SDOT and implementation by future development of a street concept for 8th Avenue N between Roy and Aloha streets and Aloha between 8th and Westlake avenues; and
9. Development by the future owner of the site of protected bike lanes along Mercer Street between Dexter and 9th avenues; and
10. Review of the design of the 8th Avenue through block connection by the Seattle Design Commission.

Request for Proposals (Resolution 31786)

If the Committee recommends approval of the street vacation, it may also wish to approve Resolution 31786, which lays out the steps required to market the property for sale. Resolution 31786 would approve the issuance of a RFP for the sale of both the super-block bounded by Mercer and Roy streets and Dexter and 9th Avenues North (known as 800 Mercer Street), and for the sale of the half-block across the street on the south side of Roy Street between Dexter Avenue North and Aurora Avenue North, known as 615 Dexter Avenue North. The Dexter Avenue site contains a single-story warehouse and surface parking and is also owned by SDOT.

Prior to issuance of the RFP, the Resolution asks CBO and SDOT to:

1. Survey the property;
2. Dedicate real property at the 800 Mercer Street site as right-of-way;
3. Finalize the vacation of Broad Street;
4. Execute a subterranean easement with King County across the 800 Mercer Street site for utility purposes; and
5. Adjust the lot lines between the parcels at 800 Mercer Street;

At the Sustainability and Transportation Committee meeting on September 8, CBO presented a proposal for community benefits to be provided by the future purchaser of the property. That proposal is set out in table 1:

Table 1: September CBO Public Benefits Proposal

REQUIREMENTS: The following Request for Proposals (RFP) requirements are minimum commitments to be considered responsive to the RFP; and will be contractual agreements between the purchaser and the City of Seattle as terms in the Disposition and Development Agreement (DDA):	Implementation
<p>1. Minimum of 150 apartments units of affordable housing, which shall be income-and rent-restricted for households earning up to 60% of Area Median Income (AMI), as defined by U.S. Department of Housing and Urban Development (HUD), for a period of not less than 50 years.</p> <p>This housing requirement will not count towards the developer’s requirement to meet the City’s Mandatory Housing Affordability and will not count towards any Multi-Family Tax Exemption units.</p> <p>Funding could be from a cross-subsidization from the proceeds of the sale of the parcels.</p>	<p>Requirement. Will be included in RFP and commitment included in DDA.</p> <p>Anticipated that the affordable housing will not seek OH funding.</p>
<p>2. The development must meet or exceed sustainability standards of LEED Silver or the City of Seattle’s Evergreen standard [for affordable housing].</p>	<p>Requirement. Will be included in RFP and commitment included DDA.</p>
<p>3. Any and all hospitality operators that are part of the development will enter into a Labor Harmony Agreement.</p>	<p>Requirement. Will be included in RFP and commitment included DDA.</p>
<p>4. Developer responsible for the incremental cost to remediate environmental contamination.</p>	<p>Requirement. Will be included in RFP and commitment included DDA.</p>
<p>5. The properties must be sold at Fair Market Value.</p>	<p>Requirement. Will be included in RFP and commitment included DDA.</p>
PREFERENCE: In review of RFP responses, relative to community benefits preference will be given to:	
<ul style="list-style-type: none"> • Affordable housing commitments that exceed the 150 units with a mix of those units to be family units (2bd/2ba and 3bd/2ba). • Proposals that exceed LEED Silver. 	<p>Evaluated by the RFP review panel.</p>

During the Committee meeting, Councilmembers indicated that they would be interested in reviewing proposals that did not include the provision of affordable housing above MHA requirements if the revenues generated from the sale that could be directed toward the development of affordable housing were significantly higher than those generated in a project containing affordable housing. Since the September meeting, CBO has recommended that petitioners be required to include a Project Labor Agreement in their proposal. None of these requirements are included in Resolution 31786.

Amendments to Resolution 31786

Sustainability and Transportation Committee Chair Mike O'Brien recommends the following amendments to Resolution 31786.

- A. This amendment adds a recital indicating that the City's purpose for selling the property is to provide additional resources for affordable housing. See attachment 3A.
- B. This amendment would amend section 2 to the Resolution to specify the Council's intent that the RFP include the requirements in Table 1, above, with three changes as shown in Attachment 3B. The first change is to require LEED Gold, rather than LEED Silver. LEED Gold is required for any project in South Lake Union that builds above the base FAR and height limits, and so is likely to be met by any future developer of these sites. The second change is to require a Project Labor Agreement. The third change is to encourage additional community benefits, in particular affordable housing, but not to require that respondents include such benefits.
- C. This amendment would request that CBO consult with the members of the Sustainability and Transportation Committee and the Councilmember for District 7 before choosing a final awardee. See attachment 3C.
- D. This amendment would state the Council's intent to use any excess proceeds from the sale of the Mercer property for affordable housing in or around the South Lake Union neighborhood. See attachment 3D.

Attachments:

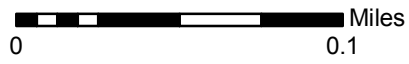
- 1. Map of parcels to be sold
- 2. SDOT Recommendation regarding the vacation of Broad Street
- 3. Proposed amendments to Resolution 31786
 - A. State City's intent to increase resources for affordable housing
 - B. Add RFP requirements
 - C. Consult with Council prior to awarding of the RFP
 - D. Council intent regarding the use of proceeds from the sale

cc: Kirstan Arestad, Central Staff Director
Ketil Freeman, Supervising Analyst

Attachment 1 - Map of Parcels to be Sold



City Property





City of Seattle

Edward B. Murray, Mayor

Department of Transportation

Scott Kubly, Director

December 5, 2017

Honorable Mike O'Brien, Chair
Sustainability & Transportation Committee
Seattle City Council
600 Fourth Avenue
Seattle, Washington 98104

Subject: Petition of Seattle Department of Transportation for the vacation of a portion of Broad Street, and 8th Avenue North in the block bounded by Roy Street, 9th Avenue North, Mercer Street, and Dexter Avenue North in the South Lake Union Urban Center, in City Council District 7 Clerk File 314309

Dear Councilmember O'Brien and Honorable Members of the Transportation Committee:

We are returning the petition from Seattle Department of Transportation ("SDOT") for the vacation of a portion of the rights-of-way described in Attachment A. The vacation petition includes a total of approximately 61,811 square feet of right-of-way.

CITY COUNCIL DISTRICT

The proposed street vacations are in City Council District 7.

BACKGROUND

The rights-of-way proposed for vacation are in the South Lake Union Urban Center neighborhood of Seattle. The combined block is bounded by Roy Street on the north, 9th Avenue North on the east, Mercer Street on the south, and Dexter Avenue North on the west. The proposed vacation includes:

- **Broad Street:** between Dexter Avenue North and 9th Avenue North; and
- **8th Avenue North:** any remaining portion of 8th Avenue North between Mercer Street and Dexter Avenue North.

Early in the review of this vacation petition it was anticipated that a small 12-foot triangle of Mercer Street might need to be included in the vacation to rationalize the south property boundary and is illustrated in early versions of the proposal. The plan for the bike lane has eliminated the need for this small vacation of Mercer Street and it is not included in the recommendation.

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This vacation petition is unusual. The City has already closed the rights-of-way to vehicles as part of the work on the Mercer Corridor Project. Another unusual fact is SDOT owns the adjacent property on both sides of the right-of-way proposed for vacation and SDOT is the Petitioner. SDOT subject matter experts also review and comment on vacation proposals, including this one. And as the manager of the vacation process, SDOT is responsible for reviewing this SDOT proposal consistent with the policies and procedures established by the City Council.

The two parcels owned by SDOT include:

- A 9,106-square foot triangle of property located at the corner of Roy Street and Dexter Avenue North; and
- A 33,860-square foot elongated tear drop shaped parcel fronting on Mercer Street.

These parcels are oddly shaped and are of a size that would make development difficult. The largest portion of the site is street right-of-way. The 61,611 square feet of right-of-way extends from Dexter Avenue North to 9th Avenue North and separates the two parcels.

Broad Street was platted in 1926 at a diagonal against the traditional street grid. In 1955, the City constructed improvements that separated the grade of Broad Street from Mercer Street, Dexter Avenue North, and Aurora Avenue North by lowering Broad Street where it crossed under these streets.

SDOT closed Broad Street, including the portion proposed to be vacated, between 5th Avenue North and 9th Avenue North in 2014 to implement the City's plan to build the Mercer Corridor Project and connect the street grid between the South Lake Union and Uptown urban centers. Mercer Street has been widened to convert it from a four-lane, one-way street to a seven-lane, two-way street. The SR 99 Tunnel Project will connect three streets: John, Thomas, and Harrison across Aurora Avenue North in this area. The plan included the closure of Broad Street between 5th Avenue North and 9th Avenue North because Broad Street disrupted the new street grid and was functionally redundant with the Mercer Corridor and surface street improvements.

The right-of-way and SDOT property are currently being used for construction staging and material storage.

The area is zoned Seattle Mixed (SM) 175/85-280, with a commercial height limit of 175 feet and a residential base height limit of 85 feet and a maximum residential height limit of 280 feet. This zoning designation is intended to achieve the goal of a diverse mixed-use community with a strong pedestrian orientation. The base Floor Area Ratio (FAR) limit for nonresidential uses is 4.5; the maximum FAR is 8 for commercial uses. The base FAR for Research and Development use is 5 with a maximum of 8.

In addition, the zoning code includes a provision requiring development proposals to demonstrate that proposed structures will not interfere with the South Lake Union Seaport Flight Corridor. A portion of the site is within the flight path corridor and would be subject to a height limitation of 216 feet.

In Ordinance 125291, the City Council changed the zoning in the area from SM-SLU 160/85-240 to the current SM-SLU 175/85-280 and added a requirement that future development will participate in the Mandatory Housing Affordability programs authorized under SMC 23.58B for commercial development and SMC 23.58C for residential development.

REASON FOR VACATION

The vacation's purpose is to create a parcel that is of a size and shape that can be developed for residential or commercial purposes consistent with the zoning and development pattern in the area. The vacation is intended to make it easier for the City to market the property for sale and for the purchaser to develop the site.

This unusual street vacation has been presented to the City Council in budget and committee briefings. Given the close relationship between the Mercer Corridor Project improvements and the closure of Broad Street, a portion of the proceeds of the sale of the Broad Street property was included in the funding plan for the Mercer Corridor West Phase Project. In September 2012, SDOT presented a funding plan for the Mercer West Project to the City Council in response to a 2012 budget proviso. The proposed funding plan included \$32.6 Million in proceeds from the sale of surplus properties in the Mercer Corridor area, including \$2 Million from the sale of an SDOT maintenance yard. The City Council adopted Ordinance 123992, lifting the budget proviso and endorsing the proposed funding plan. The 2013-2018 Capital Improvement Program (CIP) budget for the Mercer Corridor West Phase Project included \$30.6 Million in Property Sales and Interest Earnings, Ordinance 124648. The Mercer West Project is in the close-out phase and the Property Sales and Interest Earning line item in the 2017 CIP has been reduced to \$21,215,000, Ordinance 125207.

SDOT proposes to sell the Broad Street property once the street vacation has been approved. The 2016 City Council Green Sheet 90-3-A-2 directed the Executive to analyze the options for selling the property (referred to as the Teardrop or Megablock site) and requests that the analysis explore options to maximize community-serving uses and provide most or all of the funding needed to repay the interest and principal on an inter-fund loan for the Mercer West transportation project. The Office of Planning and Community Development (OPCD) and the City Budget Office (CBO) are developing a Distribution Offering Request for Proposals (RFP) from potential buyers and developers.

In September of 2016, the review of the proposed vacations, including review by the Seattle Design Commission (SDC), was largely completed and SDOT proposed to forward the vacation to City Council. However, the Council indicated it was appropriate to link the property sale and the vacation review more closely. The Council asked that the RFP process be developed further

and provide that vacation conditions and public benefit features would be included in the RFP and be a part of any future development plan.

In September of 2017, CBO provided a briefing in response to the earlier Council request. The 2017 briefing included information about the proposed RFP and the schedule and Community Benefits to be included as conditions of the property sale. The Community Benefits included requirements for:

- Development meeting or exceeding sustainability standards of LEED Silver or the City's Evergreen standard;
- A Labor Harmony Agreement for hotel development;
- Incremental cost to remediate environmental contamination; and
- A sale at fair market value.

In addition, the RFP will include the Broad Street vacation public benefit requirements as part of the development obligations. The RFP will include the public benefits, as outlined below or as revised by the City Council during its review of the vacation will include:

- Eighth Avenue North public access easement, 60 feet in width for pedestrians and bicyclists;
- Eighth Avenue North street improvements consistent with the Street concept plan;
- Public open space on 8th Avenue North, approximately 11,000 square feet; and
- Extend the two-way protected bike lanes on Mercer Street.

With that work on the RFP completed, it is appropriate for SDOT to move forward with the vacation petition, consistent with prior City Council review and direction.

PROJECT DESCRIPTION

No development or plan is proposed as a part of the vacation petition. The unusual property shapes and size have led SDOT to request a vacation that is not associated with a current development proposal. In this circumstance, vacation approval would create a parcel more standard in size and shape that would be more attractive to developers and more likely to secure a higher value and a quicker sale when the property is put on the market. The purchaser and developer of the site would be obligated to develop the site consistent with the zoning and code criteria established by the City. Additional conditions or obligations could be imposed as a part of the vacation conditions or as a part of the conditions of the sale of the property after the vacations.

A 2016 Market Analysis done by Kidder Matthews concluded that the consolidated site is highly desirable for office, residential, and life sciences uses, and moderately desirable for retail.

Development assessments of the site considered alternatives of potential development and found that an option that maximized density may include around 880,000 square feet of residential

development. Another alternative could include about 770,000 square feet of residential and retail development. These alternatives are likely scenarios as determined by OPCD and CBO but no specific alternative has been proposed.

DEVELOPMENT THAT COULD OCCUR WITH A NO VACATION ALTERNATIVE

The developable parcels would include a 9,106-square foot triangle at the corner of Dexter Avenue North and Roy Street and a 33,860-square foot elongated tear drop shaped site along Mercer Street separated by 61,811 square feet of right-of-way. Without a vacation the developable area is 42,966 square feet on two parcels as compared to a consolidated site (with the right-of-way vacated), which would include approximately 104,777 square feet. Given the irregular size and shape of the parcels, potential building development would likely result in non-typical building shapes and potentially restrict the construction of parking below grade.

An assessment of a no-vacation development alternative would likely see a maximum of approximately 370,000 square feet developed on the site in two buildings with a mix of residential and office use. While the South Lake Union neighborhood is a highly desirable area for developers, the small shape and odd size would likely limit interested purchasers and development options.

No vacation public benefits would be required for a no-vacation alternative, but the sale of the adjacent parcels could include Community Benefit obligations.

PROJECT REVIEW/SDOT VACATION CIRCULATION/ISSUE IDENTIFICATION (NOT ISSUE RESOLUTION)

As a part of the vacation review process, the proposed vacation was circulated to various City departments, outside agencies, and community groups for comment. The vacation review process also includes review by the Seattle Design Commission.

The review of the proposed development and the review process for the vacation includes several review procedures, following meetings, and reviews.

Review procedures:

Design Review Board:

A development proposed for the property following the vacation would be subject to review and conditioning by the Design Review Board.

Seattle Design Commission:

July 17, 2015: briefing

November 19, 2015: vote on Urban Design Merit

April 7, 2016: briefing

July 21, 2016: vote on Public Benefit proposal

Master Use Permit:

A development proposed on the property following the vacation would be subject to review and conditioning by SDCI through the Master Use Permit process.

Street Improvement Permit (SIP)/Utility Permits:

The development would trigger review within SDOT of the proposed Street Improvement Plan.

SEPA:

SDCI will determine the level of environmental review required based on the development proposal.

Community Group Meetings:

SDOT met with members of the South Lake Union Community Council in the Summer and Fall of 2015 to discuss their requests for public benefits. The community council requests can be addressed in part through the street vacation, and other requests may be considered by the City through the Request for Proposal Process for the sale of the property.

In addition, SDOT staff met with various community groups during the work on the Mercer Corridor project and presented the plan for permanent closure of Broad Street to:

- South Lake Union Community Council
- South Lake Union Chamber of Commerce
- Queen Anne Community Council
- Uptown Alliance
- Queen Anne Chamber of Commerce
- Lake Union District Council
- Magnolia Queen Anne District Council
- Mercer Corridor Stakeholder Committee

Vacation Circulation:

City staff work to coordinate the various steps in project review and share information about issues and concerns as a project moves forward. The specific purpose of the broad review of the vacation petition is to identify issues related to the proposed vacation and the development after the vacations. Issues may be resolved in a variety of ways including by design revisions or changes to the project or by imposing conditions on the vacation approval.

The comments, closely reproduced below, reflect the statements made by the reviewers and any issues identified during the initial portion of the review process. 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 in the record and are not revised or amended by SDOT.

The comment section does not reflect the resolution of the issue or subsequent design changes or mitigation. The analysis section will focus on the resolution of any issues, recommended project changes, or conditions to address any issues or concerns. The Petitioner has responded to some of the comments received and the *Petitioner's response is in bold italics.*

Comment and Response Section

The following comments were received:

City Departments:

SDOT Policy and Planning: There has been close coordination with the SDOT project team to develop design guidelines for the future market development parcels. The guidelines will inform the future pedestrian plaza (a through-block corridor) that will remain right-of-way that bisects the two parcels. Work has also been done to develop the street concept plan that has informed the public benefit proposal for this project.

These design guidelines, coupled with the 8th Ave N street concept plan, will ensure high quality public spaces on the development parcels and on the adjacent streets.

SDOT Roadway Structures: Does not have comments on this vacation.

SDOT Street Improvement Permitting: Comments on the Broad Street Proposal:

- The vehicle connection between Roy Street and Broad Street may present challenges, especially since there is a major underground utility in the area proposed to be shared by pedestrian, open space, and vehicles. Traffic Operations would review this situation; and
- The utility facility mentioned above has two surface vents that will need to be considered.

Petitioner's Response: The petitioner acknowledges the presence of the King County Sewer infrastructure that is below ground and the above-ground vents. This information will be provided to potential buyers through the Request for Proposals. An easement will be executed to allow the infrastructure to remain in place and allow for the pedestrian access and potential vehicular access. The Eighth Avenue pedestrian easement or right-of-way will be designed around the above-ground vents and top of the drop structure. SDOT Transportation Operations will review Street Improvements Plans for the project.

SDOT Transportation Operations: Supports the vacation as proposed, which includes the requirement to complete the through-block improvement for public access along the Eighth Avenue North alignment. I only have two comments on the proposal:

1. On page 23 it lists guidelines that may be included with the requirement to complete the through block. We would like the third bulleted guideline removed, regarding use of bollards to separate pedestrian circulation from vehicle access drives. While we allowed

use of bollards in limited applications we prefer to look to implement separation using other alternate methods such as landscaping, pavement texture or color, or other methods. Bell Street is a good example of how treatments other than bollards can be utilized. Guidelines are only proposed elements, not required, but by identifying bollards it may appear that they are approved.

2. The proposal should also address the need to connect the bicycle facilities along 9th Avenue north of Valley St to those along the north side of Mercer St west of Dexter Ave. I know that a variety of options have been looked at, but my understanding is that the preferred alternative is to accommodate a protected bike lane along the north side of Mercer St between 9th Ave North and Dexter Ave. The Broad Street Property Map that was attached with the proposal shows this as a grade separated two-way bike lane adjacent to the sidewalk. I don't believe the newly constructed sidewalk along this section is wide enough to accommodate a protected bike lane and sidewalk so additional right-of-way would be needed. Either the northern boundary of the vacation area should be adjusted to ensure we have the required width, or it should be stated as a requirement that the development would need to dedicate the needed property and construct the cycle track if not yet constructed.

Let me know if you have any questions about these comments.

Petitioner's Response: The petitioner met with SDOT to discuss comments from SDOT Transportation Operations. The project description has advanced during the review process with the Seattle Design Commission and community input. Responses to the two comments follow:

1. ***Eighth Ave N Guidelines - The guidelines have been revised through the review process with the Seattle Design Commission. The revised guidelines do not include use of bollards.***
2. ***Bicycle Facilities - SDOT will dedicate additional right-of-way on the north side of Mercer St to provide space for the two-way protected bike lanes (10 feet) and an 8-foot wide sidewalk. This cross-section is consistent with the protected bike lanes on Mercer to the west of Dexter Ave N. The right-of-way dedication will be part of an action to dedicate the remaining Mercer St right-of-way on this block that (a portion of the current SDOT-owned parcels between Mercer and the Broad St right-of-way. In addition, SDOT will require that the protected bicycle lanes and sidewalk be built by the developer of the Broad Street Property. This requirement will be incorporated into the purchase and sale agreement for the property.***

Seattle Fire Department: SFD has no objection to the street vacation of Broad Street as described in the project.

We may wish to discuss the change of ownership on future streets. Once the property becomes "private" a parcel might be required to have a Fire Apparatus Access road under the Seattle Fire Code. In this case the parcel is simply too small for this to take effect. However, if the City chooses to vacate other larger street parcels, adding a SDOT 22-foot maximum road width could potentially conflict with the Seattle Fire Code.

In a VERY rare case, the Fire Apparatus Access road as required by Seattle Fire Code might have a minimum width of 26 feet. Probably better to resolve this discussion on future parcels before they go to Council.

Petitioner's Response: Development on the Broad Street Property will be subject to the requirements of the Seattle Fire Code.

Department of Parks and Recreation: Does not have any issues with the vacation of the Broad Street right-of-way (CF 314309), given the proposed public benefits:

The petitioner is proposing that the block created by the vacation include a pedestrian and open space corridor to connect Roy Street and Mercer Street. This corridor is proposed to be 60 feet wide and would be subject to design guidelines similar to the Street Concept Plan adopted for 8th Avenue North between Denny Park and Republican Street. Designs for the corridor may include:

- Limiting any access roadway to no more than 22 feet in width;
- Textured or patterned concrete;
- Pedestrian lighting;
- Pedestrian amenities such as benches, tables, sitting walls, and steps;
- Bollards;
- Art or water feature;
- Potential for food service activities; and
- Landscaping with stormwater retention will be encouraged.

Petitioner's Response: The petitioner acknowledges receipt of the comments from the Seattle Department of Parks and Recreation. Design guidelines for Eighth Avenue North will be included as a requirement in the Request for Proposals for buyers and will be incorporated into the Purchase and Sale Agreement for the Broad Street Property.

Seattle Department of Construction & Inspections (SDCI): Broad Street between 5th Avenue North and 9th Avenue North was permanently closed in 2014. Following this closure, the block bounded by Dexter Avenue North, Roy Street, 9th Avenue North, and Mercer Street was left with irregularly shaped parcels abutting a large amount of right-of-way no longer used for transportation purposes. The vacation would combine the parcels to facilitate a full block development of roughly 105,000 square feet. SDOT owns all the parcels on both sides of Broad Street and proposes the vacations in order to sell a consolidated block of parcels.

DPD Comments: Development potential on the block bounded by Mercer Street, 9th Avenue North, Roy Street, and Dexter Avenue North will increase with the vacation. Current developable area on this block is 42,966 sf; this will increase to 104,777 sf following the vacation. As no development is proposed with this vacation petition, this increase in development potential will not directly lead to any long- or short-term effects. Future

development on this block may have effects on circulation, access, utility, light, air, open space, and view functions of nearby streets and nearby public places; these will be assessed by application of appropriate codes and regulatory policies at the time specific development is proposed. SDOT is proposing that the block created by this vacation include a pedestrian and open space corridor to connect Roy Street and Mercer Street. This corridor is proposed to be 60 feet wide and would be subject to design guidelines similar to the Street Concept Plan adopted for 8th Avenue North between Denny Park and Republican Street. If approved, this public benefit is expected to increase light, air, open space, and pedestrian circulation through the site.

The site is within the South Lake Union Urban Center. Comprehensive Plan Urban Center goals reflect the general intent of urban centers to be concentrated areas for employment and housing. This vacation would support these goals by increasing the development potential on this block. The vacation also would be consistent with Comprehensive Plan goals for mixed-use commercial areas, which include “creating strong and successful commercial and mixed-use areas that encourage business creation, expansion and vitality” (LUG17) and “support the development and maintenance of areas with a wide range of characters and function that provide for the employment, service, retail, and housing needs of Seattle’s existing and future population” (LUG18).

Potential development on the future site resulting from this vacation is expected generally to be consistent with existing or future development in the area. Zoning on this block is SM 160/85-240; this zoning continues to the south, west, and northwest of the block. Northeast and east of the block, zoning is SM-85 and SM-85/65-160. Future development on this block likely would go through design review as part of its land use approval process; design review would consider compatibility of size, scale, and character of potential development on this block in the context of the surrounding area. The vacation would result in a lot area of 104,777 square feet, which is similar to several large sites within the immediate vicinity of this block. The rights-of-way to be vacated do not provide a strong edge or boundary between zones or areas of different scale and character, and would not result in intrusions of residential development into commercial and industrial zones or the converse.

As no development currently is proposed on the block containing the rights-of-way to be vacated, specific land use effects of the vacation cannot be evaluated, nor can specific land use conditions be determined. Development proposals occurring as a result of this vacation will be required to comply with all relevant codes, policies, and application requirements at the time of project review.

As noted above, this segment of Broad Street has been permanently closed, and is no longer used for transportation purposes. Vacating this unused right-of-way is not expected to affect the movement of goods and people. Comprehensive Plan policies are addressed in the response to Guideline 4.1, above.

Conclusion and Summary

DPD recommends that the requested vacations be granted, along with the public benefit proposed as part of the vacation petition.

Petitioner's Response: The petitioner acknowledges that future development on the Broad Street property will be subject to the Seattle Municipal Code requirements for development and design review.

Seattle City Light (SCL): Has reviewed the petition of the Seattle Department of Transportation to vacate portions of Broad Street, 8th Avenue North and Mercer Street. City Light has no objection to the proposed vacation. Seattle City Light thanks you for the opportunity to review and comment on the proposed vacation.

Seattle Public Utilities (SPU): Seattle Public Utilities (SPU) has reviewed the proposed vacation, and has identified the following concerns and has the following comments and recommendations:

SPU Sewer & Drainage:

- SPU's existing infrastructures within the proposed vacation are various pipe segments of the existing 24" storm drain. However, the PSD has been rerouted with the intent that SPU would not have any drainage or wastewater infrastructure within the boundaries of the proposed vacation. There are no conflicts with the proposed vacation.
- Other sewer infrastructures within the proposed vacation area are segments of King County 72" sewer main. The King County's mains will not be relocated; therefore, the applicant must contact King County for review and approval of this vacation.

For SPU sewer and drainage infrastructure only, the Vacation of Portions of Broad Street, 8th Avenue North and Mercer Street – CF314309 is approved with no conditions.

SPU Water:

The parcel is abutted by

1. 20" W, CIP in Dexter Ave N – a portion of it is designated limited access for maintenance and repair. That portion would not be available for water services.
2. 12" W, CIP in Mercer St – also designated limited access for maintenance and repair. That portion would not be available for water services.
3. 12" W, DIP in 9th Ave N.
4. 12" W, CIP in 8th Ave N dead ending into property at Roy St where there is a 1" DOM service owned by SPU that serves the nearby pump station for Metro K.C. Tunnel Portal, East.
5. Existing Inactive 1.5" DOM water service crossing the parcel from the dead end at 8th Ave N and Roy St to the property south of the vacation should be retired before the vacation.

Hydrants near property exist at:

1. NE corner of Dexter Ave N and Roy St
2. NE corner of 8th Ave and Roy St
3. NW corner of 9th Ave N and Roy St/Broad St
4. Mid-block on east side of 9th Ave N between Mercer St and Roy St/Broad St
5. Mid-block on north side of Mercer St, ~80ft west of centerline of 8th Ave N
6. NE corner of Dexter Ave N and Mercer St

At present, the east-west water main grid appears to rely on the circa 1913 12" CIP in Mercer St. Prior to development, the water system in the few blocks surrounding this vacation would be modeled for water availability and fire flow.

A condition of development for this parcel might be installation of a new 12" W in Roy St between Dexter Ave N and 9th Ave N with connection to the existing dead end main in 8th Ave N.

Depending on exact location of the vacation boundaries, the dead end 12" W in 8th Ave N and related 1" DOM service to the pump station at the Metro K.C. Tunnel Portal, East may need to be relocated out of the vacated area.

Petitioner's Response: The petitioner met with SPU to discuss their comments and requirements regarding SPU infrastructure in the vacation area.

- ***The petitioner has negotiated terms of an easement with King County DNRP and the easement will be executed following conditional approval of the street vacation.***
- ***The purchaser of the Broad Street Property will be required to coordinate with SPU to retire the 1.5" DOM water service crossing the parcel from the dead end main at 8th Ave N and Roy St.***
- ***The 1" DOM service to the pump station at the Metro K. C. Tunnel Portal is within the proposed King County Easement area and should not be affected by development on the property. The purchaser of the Broad Street Property will be required to maintain or coordinate with SPU and protect or relocate the 1" DOM service to the pump station at the Metro K. C. Tunnel Portal, if needed.***
- ***The above requirements will be included in the Purchase and Sale Agreement for the Broad Street Property.***

Seattle Design Commission (SDC): SDC reviewed the project at its regular meetings on July 17, 2015; November 19, 2015; April 7, 2016; and July 21, 2016.

July 17, 2015:

SDC did not vote on the project and requested additional information. They provided the following comments to guide further development of the vacation proposal:

1. Provide more analysis on issues related to site access including:
 - Explore the possibility of a pedestrian crossing over Mercer at 8th Ave.
 - Study locations for services and loading dock access to the site.
2. Provide design guidelines concerning public realm improvements.
3. Explore requiring multiple developers or architects for the project.

November 19, 2015:

SDC thanked the project team for the urban design merit presentation. The Commission particularly appreciated the level of detail provided for the market study analysis and key urban design merit criteria. The Commission voted to approve the urban design merit, 9 to 0, with the following conditions:

1. Develop a detailed plan for providing a pedestrian crossing at the intersection of 8th Avenue and Mercer Street;
2. The commission does not support the use of the 8th Ave N right of way for vehicular access to or around the site; and
3. Prior to council approval, the design team shall develop design guidelines for SDC review.

In addition, the SDC also makes the following recommendations:

1. Consider qualities of open space in the design guidelines as it relates to the public realm;
2. Establish Roy St. as the preferred point of site access for vehicles; and
3. Address equity and affordability while developing planning and design guidelines.

April 7, 2016:

The SDC did not take an action on the proposed public benefit package for the Broad Street Vacation. The SDC requested further clarification of the proposed design guidelines and public benefit implementation strategies.

July 21, 2016:

The SDC thanked the project team for the public benefit presentation. The SDC approved the public benefit package for the Broad Street Vacation, 6 to 0, with the following conditions:

1. Prior to issuance of a Master Use Permit (MUP) for either development site created as a result of this vacation, the SDC will review and approve the implementation of 8th Avenue ROW improvements abutting the project site, using the 8th Avenue design guidelines developed for this vacation. The SDC review and approval shall occur before the publication of a Master Use Permit decision for any development at this site.
2. If SDOT's proposed 7th Ave N transit hub improvements cannot be implemented as part of this vacation, the project team shall provide a commensurate public benefit, which will be reviewed and approved by the SDC.

3. Loading on 8th Ave N is restricted to festival street activities; no vehicular entrance to buildings

The SDC also provided the following recommendations:

1. Continue landscaping at the intersection of Mercer Street and 8th Ave N to prevent pedestrians from crossing Mercer Street.
2. Provide landscaping on the median along Mercer Street at 8th Ave N to further discourage pedestrian from crossing Mercer Street.
3. Continue to refine pedestrian and cyclist crossing at the intersection of Mercer Street and 9th Ave N to improve safety
4. Refer to the 8th Ave N concept plan for future landscape improvements on 8th Ave N between Roy and Aloha
5. Building entrances included in future onsite development should not align across 8th Ave N.

Outside Agencies:

CenturyLink (formerly Qwest Communications): Currently CenturyLink has NO facilities in the area addressed by this action, and has no objections to said proposal. Please feel free to contact me as needed.

King County Transit: King County Metro does not have any facilities that would be impacted by this street vacation. However, we may have an interest in the consolidated parcel at such time when it becomes available for surplus.

King County Wastewater Treatment: Regarding the said street vacation petition for Broad Street:

- Yes, said petition will impact King County's major sewer facilities located along Broad Street and within SDOT's proposed "full block lot" for consolidation.
- Per recent coordination with SDOT's technical, legal and real estate team (cc'd in this email), the attached Easement document was reviewed and finalized. Kindly see attached email and EASEMENT document, for reference.
- The attached EASEMENT document will need to be signed, executed and recorded as a permanent encumbrance to the consolidated "full block lot" prior to any sale and/or development.
- Said easement shall be at no cost to the County. The Denny Way- Lake Union Combined Sewer Overflow (CSO) Control project was a joint endeavor between the City of Seattle and King County.

Please let us know of any update regarding this petition and the process to ensure that the attached Easement is recorded prior to any sale and/or development. Should you have any questions, please feel free to contact us.

Petitioner's Response: The petitioner acknowledges the presence of the King County Sewer infrastructure that is below ground and the above-ground vents. This information will be provided to potential buyers through the Request for Proposals. An easement will be executed to allow the infrastructure to remain in place and allow for the pedestrian access and potential vehicular access. The Eighth Avenue pedestrian easement or right-of-way will be designed around the above-ground vents and top of the drop structure. SDOT Transportation Operations will review Street Improvements Plans for the project.

The petitioner intends to execute the Easement, substantially as drafted, following conditional approval of the Street Vacation and before closing the sale of the Broad Street Property. Execution of the Easement requires approval by the Seattle City Council.

Puget Sound Energy (PSE): Per the exhibits received from SDOT, there are no PSE facilities located within the vacation area.

Community:

South Lake Union Community Council:

Thank you for the opportunity to comment on the proposed public benefit for the vacation of portions of Broad Street, 8th Avenue North and Mercer Street.

The South Lake Union Community Council has weighed SDOT'S public benefit recommendation against the priorities established by the Council in the update of the SLU Urban Design Framework, the SLU / Uptown Mobility Plan and the recent rezone of South Lake Union.

Based upon this review, the South Lake Union Community Council cannot support the proposed Broad Street vacation based upon the inadequate level of public benefits associated with vacating 60,000 square feet of public right-of-way.

The Urban Design Framework identified this site for potential redevelopment as a civic heart. Because the majority of the block will no longer be available for public use we request that the City provide both off-site and on site public benefits commensurate with the wishes of the community.

The South Lake Union Community Council has identified the following public benefits as both near and long-term objectives for its community:

- **Community Center** a facility that benefits the broader SLU, Uptown, Denny Triangle, and Belltown neighborhoods.
- **Transportation Hub** a multi-modal facility servicing SLU, Uptown, Denny Triangle, Belltown, and surrounding neighborhoods
- **Coordinated Mobility Plan** the development of a coordinated and integrated transportation capital improvement program for the

implementation of mobility improvements/changes for South Lake Union.

Along with the aforementioned priorities, the South Lake Union community has also identified siting a downtown school in the neighborhood along with continued development of thoughtful public open spaces as long-term interests in line with the SLU Urban Design Framework.

Moving forward, our interest is to create an attractive and thoughtfully integrated neighborhood that provides both placemaking and mobility opportunities to our many residents, our workforce and those Seattle residents that pass through and visit our neighborhood on a regular basis.

As a reference point, public benefits associated with the Denny Substation project represent a successful example of meaningful public-city collaboration mitigating the displacement of public right-of-ways and amenities in a neighborhood environment. The on and off-site public benefits for this project total \$10.66 million. In addition, in honoring the wishes of the neighborhood, Seattle City Light has committed to public benefits, with costs passed through to users of the Denny Network, of \$3 million, bringing long-needed off-site streetscape improvements to the neighborhood.

Our expectation is to convene a meeting prior to a recommendation being submitted to City Council, to identify feasible on-site and off-site public benefits as a part of the vacation process.

Petitioner's Response: The petitioner met with members of the South Lake Union Community Council in the Summer and Fall of 2015 to discuss their requests for public benefits. The community council understand that some of their requests will not be addressed directly through the street vacation, but may be considered by the City through the Request for Proposal Process for sale of the property. The applicant has committed to the following in response to the community council's request:

- ***Complete a Mobility Plan for South Lake Union and other Center City Neighborhoods (One Center City); and***
- ***Develop recommendations and an implementation plans for improvements to support a Transit Hub on Aurora Avenue N between Thomas and Harrison streets.***

SDOT Director Kubly Response:

Thank you for submitting the South Lake Union Community Council's comments on the proposed vacation of Broad Street in the South Lake Union Neighborhood. I appreciate your willingness to meet with Eric Tweit and myself to discuss the street vacation, public benefits, and enhancements to the South Lake Union transportation system. I apologize for the delay in sending this response, but I understand that you have been communicating with Eric about the street vacation and related issues in the time since our meeting.

As you are aware, SDOT is requesting the vacation so that we can consolidate the property in the two-block area to sell it to fund construction of the Mercer West Project. This was part of a funding plan endorsed by the City Council when they authorized SDOT to proceed with construction through Ordinance 123992 in 2012. In addition to providing funds for the Mercer West Project, the vacation of Broad Street and consolidation of properties on the two-block area allows for development that is consistent with the surrounding neighborhood and with recommendations of the South Lake Union Mobility Plan and Urban Design Framework.

As part of the street vacation, SDOT is proposing to dedicate a 40-foot wide Eighth Ave N right-of-way through the middle of the Broad Street property to create a pedestrian emphasis green street. An additional ten-foot easement will be required on either side of Eighth Ave N to provide a 60-foot pedestrian and open space corridor complimenting existing and future improvements on Eighth Ave N north and south of the site. SDOT looked at other potential options for open space and concluded that the Eighth Ave N corridor is the best location to provide open space in combination with development on the site.

While the neighborhood priorities identified in the Community Council's letter do not necessarily fall under the types of improvements that would be considered a Public Benefit under the City's Street Vacation Policies, the City is committed to working with you to implement these priorities. SDOT is initiating a Center City Mobility Plan (CCMP) that will establish a long-term transportation vision and implementation plan to meet the changing needs in Seattle's growing Center City Neighborhoods, including South Lake Union, and the Seattle Department of Parks and Recreation is completing an assessment of community center needs across the city.

The Center City Mobility Plan (CCMP) will identify policies, capital projects, and programs as part of a multi-modal system plan that is focused on connecting people and goods within the Center City neighborhoods and to the rest of the region. The CCMP will identify transit service and operations improvements needed to support the current and projected growth in employment and housing in South Lake Union and other Center City neighborhoods. It will integrate the City's transit, pedestrian, bicycle, and freight master plans; and identify any changes or enhancements to those plans needed to support the Neighborhood and City vision. The final CCMP will include an implementation plan which will set early priorities, identify funding sources, and guide investments over the plan's 20-year horizon.

The Center City Mobility Plan will include recommendations for capital, operational, and programmatic improvements to create a Transit Hub on Aurora Ave N (future Seventh Ave N) between Thomas and Harrison streets. SDOT will engage the South Lake Union and Uptown neighborhoods, along with WSDOT and King County, to develop the recommended improvements, which are likely to include:

- *Bus stop design with covered waiting areas for Rapid Ride and other bus routes on Aurora Ave N and for new transit service on Harrison St (a relocated Route 8 from Denny Way or other east-west service);*

- *Streetscape improvements to support pedestrian connections from the surrounding neighborhood and between bus stops;*
- *Bicycle storage;*
- *Travel information (bus arrival times, etc.); and*
- *Potential public or private uses on adjacent property to activate the area.*

Development of the WSDOT property located in the northwest corner of Aurora Ave N and Thomas St is a key component of the Transit Hub. WSDOT has indicated that they are willing to sell this property once the tunnel and surface street construction is complete, as long as they can find a way to accommodate parking needs for their employees located at the adjacent tunnel operations building. This could be accomplished within future development on the site or at another location in the vicinity. SDOT will work with WSDOT to find ways to address their needs and achieve the vision of the Transit Hub.

Implementation of the Transit Hub will be integrated with the North Surface Street Project (re-build of Aurora Ave N after the SR 99 Tunnel opens to traffic), subsequent development of the WSDOT property on the west side, and development of the private property on the east side (King 5 site). The latter has included features to support the Transit Hub in its design. The CCMP will identify funding sources, which may include the SR 99 Tunnel Program, City funds, King County Metro, and private development.

Eric Tweit will lead the CCMP for SDOT and coordinate a project team with our consultant and our Downtown Transportation Alliance partners: King County Metro, Sound Transit, the Downtown Seattle Association, and the Office of Planning and Community Development. We expect it will take 18 to 24 months to finalize the plan, which will have an early component focused on the end of joint bus and rail operations in the Downtown Seattle Transit Tunnel. We will likely convene the South Lake Union Community Council, Uptown Alliance, and other stakeholders on the Transit Hub starting in the 3rd Quarter of 2016. Eric will keep you updated on the schedule and coordinate with you to schedule sessions on the Transit Hub and other South Lake Union elements of the plan.

I understand that a community center is also a priority for the South Lake Union Community Council. The Department of Parks and Recreation is completing an assessment of community center needs city-wide, and they are aware that this is a priority for the South Lake Union Community Council. They expect to have draft recommendations ready for public review near the end of March.

City legislation to approve the sale of the Broad Street Property is another opportunity to advance Community Council priorities that fall outside the street vacation policies, such as a community center or open space. This is a separate legislative action and will be subsequent to the approval of the Street Vacation. In addition to deciding how the proceeds from the sale of the property will be used, the City Council may require that specific uses be developed independently or integrated with development on the site.

To help inform their decisions around the sale of the Broad Street Property, the City Council provided funding in the 2016 budget and direction to the Executive to analyze options for selling the surplus property. Budget Green Sheet 90-3-A-1 states:

"As part of this analysis, Council requests that the Executive engage the South Lake Union community in a process for soliciting input on the types of benefits or uses that the community would like to see as a part of the site redevelopment. Examples of community benefits could include, but are not limited to: a childcare center, pre-school, community or performing arts space, affordable housing, and/or multi-modal transportation considerations."

The City Council has requested a response to the Green Sheet by May 31, 2016. The Department of Finance and Administrative Services (FAS) and the new Office of Planning and Community Development (OPCD) are leading this work. SOOT will continue to coordinate with both departments to develop a consolidated set of recommendations for the street vacation and the property disposition that incorporates input from the Community Council and other stakeholders.

Based on the appraisal that was completed in 2013 and current market conditions, we anticipate there will be additional revenue from the sale of the property after the Mercer West debt is retired. The Mayor has proposed that the City invest the net proceeds (currently estimated at \$7 million if no additional requirements are placed on the sale of the property) in affordable housing in South Lake Union. This recommendation will be a consideration in the response to the Green Sheet, along with other input from the community.

Thank you again for your interest in the Broad Street vacation and for working with us to identify the appropriate public benefits, transportation improvements, and other community priorities for South Lake Union. We look forward to continuing our efforts with you to develop the Mobility Plan for South Lake Union and other Center City neighborhoods and the Transit Hub on Aurora Ave N. I am optimistic that we will be able to advance your priorities while meeting the funding obligations for the Mercer West Project with the Broad Street Property.

South Lake Union Community Council: This is a follow-up to our Aug. 7, 2015 letter regarding proposed public benefit for the vacation of portions of Broad Street, 8th Avenue North and Mercer Street.

After our extensive engagement with and feedback from the South Lake Union community and working closely with the Seattle Office of Planning and Community Development, Seattle Department of Transportation, and Seattle City Councilmembers Sally Bagshaw, Mike O'Brien, and Rob Johnson the South Lake Union Community Council is in support of the proposed Broad Street vacation, which vacates some 60,000 square feet of public right-of-way, providing that the following public benefits are achieved.

I. Provision for Publicly Accessible Open Space

Publicly accessible open space within or separate from the so-called “Mega-Block” site that provides for thoughtful access for pedestrians, residents, commuters and others in the community in line with recommendations of the Seattle Design Commission. Our preference is for inclusion of publicly accessible open space over and above the 15% open space threshold required by zoning that is commensurate with the publicly accessible space lost as a result of the vacation of Broad Street. The Eighth Avenue (north/south) right of way through the property provides such an option provided that direct connectivity can be made through this direct pedestrian route from the Westlake/Dexter Corridor with the heart of South Lake Union on through to the Center City area of Downtown Seattle.

II. Initiate Planning for a Multi-Modal South Lake Union Transportation Hub and accompanying streetscape mobility, aesthetic and public safety improvements

Within the framework of the street-grid reconnection in the vicinity of the SR 99 North Portal, begin planning for and implementation of public process recommendations for the development of a Multi-Modal South Lake Union Transportation Hub, along with streetscape mobility, aesthetic and public safety improvements.

III. Inclusion of South Lake Union in the Center City Mobility Plan

Inclusion of missing South Lake Union details of the Center City Mobility Plan between the Westlake/Dexter Corridor to the north and Center City to the south, including rapid transit accessibility and connectivity, pedestrian and cycle mobility, and automobile mobility.

Furthermore, it is our expectation that the appropriation articulated in Seattle City Council Green Sheet GS-90-3-A-2 (attached) be applied as necessary to clearly define the inclusion of the aforementioned public benefits as defined by the South Lake Union Community Council and its stakeholders within any RFP issued for development of the property.

These public benefits are intended to not unnecessarily encumber the potential re-sale value of the so-called “Mega-Block” site and continue the collaborative environment by which the South Lake Union Community Council continues to work hand-in-hand with City departments and a potential developer in thoughtfully planning for the development of the site and continuing to enhance our community in line with the priorities established in the update of the [SLU Urban Design Framework](#), [SLU/Uptown Mobility Plan](#), and the recent rezone of South Lake Union.

Our community looks forward to continuing to work thoughtfully together toward strengthening this world-class neighborhood, true to Seattle values, that benefits not just residents, workforce and visitors of South Lake Union, but the broader City of Seattle, State of Washington, and Pacific Northwest region.

Larry Phillips, Chair Metropolitan King County Council, District Four:

Dear Mr. Kubly,

Like you, I received a copy of the following email from the South Lake Union Community Council (SLUCC) sent to SDOT regarding their concerns with the proposed vacation of portions of Broad St., 8th Ave N, and Mercer St.

The SLUCC is not supportive of the City's proposal, stating that the vacation of 60,000 square feet of public right-of-way provides inadequate public benefits to the South Lake Union neighborhood. The SLUCC details several public benefits that they advocate for in the below letter. I strongly support SLUCC's position in opposition of the proposed street vacation until their goal of ensuring adequate mitigation for a vibrant and thoughtfully integrated neighborhood with adequate mobility for residents and employees of South Lake Union is achieved.

While I recognize that City government (SDOT) has jurisdiction over the proposed street vacation, I wanted to add my voice in support for SLUCC's position. Please kindly advise me of any updates on this issue.

Thank you in advance for your consideration.

SDOT Director Kubly Response: Thank you for sharing your feedback on the petition for the Broad Street Vacation.

The vacation of Broad Street between Dexter Avenue N and Ninth Avenue N is unique in that the City (through SDOT) owns all the property adjacent to the Broad Street right-of-way. SDOT is requesting a vacation so that we can consolidate the property in this two-block area and sell it as a parcel as part of the funding plan for the Mercer West Project.

This funding plan, which includes the use of proceeds from the sale of surplus properties in the Mercer Corridor Area, was presented to the City Council in September 2012. The City Council endorsed this funding plan through Ordinance 123992, which enabled SDOT to begin construction of the Mercer West Project. The project budget includes a \$30 Million inter-fund loan to be repaid with the proceeds of the sale of surplus properties. The closure and street vacation are tied closely to the Mercer Corridor Project. The two-way Mercer improvements replace the function of Broad Street. In addition, Broad Street was closed to traffic in 2014 to allow SDOT to complete the widening for two-way Mercer Street and to allow WSDOT to proceed with construction of the north portal connection from the SR 99 Tunnel to the existing Aurora Avenue N alignment.

In addition to the Mercer Project funding plan, the property fund sales will improve the Eighth Avenue N corridor through the middle of the reconfigured property for local vehicle access, pedestrian access and circulation, and open space.

SDOT met with members of the South Lake Union Community Council to discuss their comment letter and their concerns with the public benefits on August 27, 2015. The three items recommended for consideration in their letter – community center, transit hub improvements, and a transportation study – are not typical of public benefits associated with a street vacation. However, the City will continue to work with the community council to address how these community priorities can be. We will follow up with them to discuss specific opportunities for enhancements along Roy Street, which connects the site to Lake Union Park and bicycle storage and/or bike share stations at or near the streetcar station in Lake Union Park (the area identified as a transit hub in the South Lake Union Mobility Plan).

While a community center is not considered mitigation for the loss of right-of-way, the City is also addressing this neighborhood priority. The Department of Parks and Recreation is completing an assessment of community center needs throughout the city, and is aware of the request from the South Lake Union Community Council. The City will be looking at funding opportunities, including an existing Transfer of Development Rights program in this part of the city that can be used to fund transportation and parks-related improvements. We are also looking at the scope and funding to develop an updated transportation plan for Center City neighborhoods, including South Lake Union.

The community council and others in the public will have an opportunity to shape the benefits associated with the sale of this property. With support from the Mayor's Office, the City's Department of Finance and Administrative Services (FAS) will conduct a public process around the sale of the property. This is intended to go beyond the standard public comment period and will likely include a public meeting where they will solicit input on what uses or amenities should be included or required with a sale of the property. This information will then be used to develop a Request for Proposals (RFP) from developers interested in the property. For example, an RFP could require or encourage community facilities.

I encourage you and any of your interested constituents to attend SDOT's presentation to the Seattle Design Commission on October 1. You can find the event details here: <http://www.seattle.gov/dpd/cityplanning/designcommission/getinvolved/calendar/default.htm?rumbaEmbed=eventid%3D116020042%26view%3Devent%26-childview%3D>. Thank you again for writing.

Seattle Neighborhood Greenways and Cascade Bicycle Club:

Seattle Center, Uptown, Fremont, and South Lake Union are densely populated, active, and exciting destinations. Centered around Lake Union, these vibrant city neighborhoods are close to each other along flat routes making them ideal for biking. However, biking is not possible now because there is a missing gap. This gap could be filled in with the Broad Street Vacation between Dexter Avenue N and 9th Avenue N on Mercer Street.

Mercer St already has a high-quality bike lane connecting people from the Seattle Center/Uptown to Dexter Ave N. The bike lane does not currently continue on to 9th Ave N.

That is a problem because 9th Ave N will soon become a major NS bike route once the Westlake Cycle Track opens this summer.

What is the proposal?

Extend the design configuration that exists on Mercer St between 5th and Dexter (a 10' Two-way, elevated bike lane + 8' sidewalk sidewalk) to its natural junction at 9th Ave. There are multiple reasons this route is superior to an alternative route that uses Dexter and Roy St:

- This route is the clear desire line.
- It uses best practices of connecting directly rather than requiring jogs.
- It creates a visual continuity of design and improves wayfinding.
- It avoids significant garage access conflicts that an alternative Roy St routing would face with two garage ingress/egress points
- It creates a buffer for pedestrians along the perpetually traffic clogged Mercer St.

An extended green lane would only require 5'5" from the site, which could possibly be regained on the northern side of the parcel, and could potentially add value to the site.

Petitioner's Response:

The petitioner modified the site design proposal to add a two-way bike lane on the north side of Mercer Street between Dexter Ave N and Ninth Ave N as proposed by Seattle Neighborhood Greenways and Cascade Bicycle Club. The street vacation exhibit has been modified to provide the required right-of-way along the north side of Mercer Street for the bike lanes.

End of Comment and Response Section

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. Vacation of 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 decisions must assure that potential development and use of the vacated right-of-way is in the public interest. The Council may be guided by adopted land use policies, but the Council is not limited by land use policies and codes in making street vacation decisions and may condition or deny vacation as necessary to protect the public interest.

Rights-of-way are dedicated in perpetuity for use by the residents of Seattle for purposes of public travel and transportation of goods. The dedication carries with it certain public rights to circulation, access, utilities, light, air, open space, and views. City government acts as the public's trustee in administering streets and alleys.

The City Council first adopted Street Vacation Policies in 1986 in Resolution 27527. A few sections of the policies were revised in 1991 in Resolution 28387, 1993 in Resolution 28605 and again in 2001 in Resolution 30297. Significant revisions were made to the Vacation Policies in

2004 in Resolution 30702. The Policies were again amended in 2009 in Resolution 31142 and the Policies are currently contained in Clerk File 310078.

ANALYSIS

The City's Street Vacation Policies provide that vacation requests may be approved only when they significantly serve the public interest. The Street Vacation Policies provide for a three-step review of any vacation petition to determine if the vacation is in the public interest.

The Policies define the components of public interest as:

1. Protecting the public trust;
2. Protecting against adverse land use impacts; and
3. Providing public benefit.

The Street Vacation Policies provide that during the review of the petition, the public trust and land use effects of a vacation should be weighed against the mitigating measures and the public benefits provided by the vacation to determine whether the vacation is in the public interest. In balancing these elements of the public interest, primary importance should be placed on protecting the public trust in rights-of-way.

Protecting the Public Trust: The Policies define the public trust functions of rights-of-way as being circulation, access, utilities, light, air, open space, and views. Policy 1 of the Street Vacation Policies addresses the basic purpose of streets. Streets are created to provide for the free movement of people and goods throughout the City, to provide access to individual properties, and to provide space for utility services.

Through the vacation process, an adjacent property owner acquires public street right-of-way for private use or development purposes. Since the vacation is generally about the loss of some portion of a street, the review process must evaluate the loss of that street segment. The review normally looks at the impact on the grid pattern in the area, the impact on providing utility services, how the circulation pattern is altered and how that affects pedestrians, bicyclists, vehicular movements, emergency services, and commercial activity.

Transportation Impacts: The portion of Broad Street proposed for vacation extends between Dexter Avenue North and 9th Avenue North. The petition also includes the vacation of any remaining portion of 8th Avenue North. The platting of Broad Street and 8th Avenue North overlap and created some ambiguity so vacating any remaining portion of 8th Avenue North prevents the possibility of a sliver of right-of-way remaining after the vacations are granted.

Broad Street was closed permanently for vehicular access in 2014 as the City moved forward to implement the Mercer Corridor Project. This permanent closure defines Broad Street as surplus to transportation needs and as no longer providing function or value as a part of a larger vehicular circulation pattern.

Right-of-way provides for all modes of travel and even though vehicles may no longer access Broad Street, any right-of-way can provide important space for pedestrians and bicycles and contribute to the open space in the neighborhood. The proposal for the vacation includes the creation of a north-south through-block corridor from Mercer Street to Roy Street in alignment with 8th Avenue North as a part of the public benefit proposal. This visual corridor will provide a connection with the existing street grid and help to provide a connection between the residential developments north of Roy Street and the Lake Union neighborhood and commercial development south of Mercer Street. The through-block corridor will also support pedestrian and bicycle activity in the neighborhood. It is proposed that the through-block corridor be 60-feet in width and provide approximately 11,000 square feet of public open space. The public space and the through connection can be provided by easement, dedication, or a combination of a 40-foot dedication and two 10-foot easements. SDOT will work with the Law Department on the appropriate means to provide for the space.

The vacation should be conditioned to require these through-block corridor elements:

- 60 feet in width;
- Approximately 11,000 square feet of publicly accessible plaza space, designed to welcome the public to move through and use the space;
- Provide for the opportunity for festivals and programming on the space;
- The through-block corridor may not be used for vehicles, for garage access, or for access to adjacent properties; and
- Vehicle use for festivals or programming may be accommodated.

If Broad Street were not vacated it is likely that portions of it could be improved and used to provide access to the adjacent parcels. The shape and size of the right-of-way and the adjacent parcels would make this a challenging design and there would be right-of-way that exceeds access needs. The greater value is in using the vacation process to create a public space and a connection through the block for pedestrians and bicycles.

Since there is not a specific development proposal there is not an assessment of traffic impacts from the project. The project analysis will occur through the development review process including the MUP review and the SIP process.

SDOT does not find any adverse impacts to traffic, circulation, or access from the proposed vacations as the streets have already been closed. Any impacts related to the development issues will be addressed through the regulatory review process. The proposed through-block corridor provides for pedestrian and bicycle access through the site and creates public open space.

Utility Impacts: In addition to the transportation purposes, street rights-of-way provide space for utility lines and facilities. The vacation review must consider the impact on any public utilities; current and future impacts must be assessed. If any utilities are in the right-of-way, it must be possible for the utility to relocate or terminate those facilities or the vacation is not feasible. The utility should not be negatively impacted in its ability to deliver services, now or in the future; and must have access its facilities for repair or maintenance, or to update or expand

services. Any proposal to relocate or alter utility services must be satisfactory to the utility provider and the costs to accommodate the utility's needs are the Petitioner's obligation.

While few utilities are in the rights-of-way that will be vacated, King County has a wastewater tunnel under the portion of Broad Street proposed for vacation. This wastewater tunnel, the Mercer Tunnel, cannot be relocated and must remain in the right-of-way. This tunnel has a 56-foot diameter. The tunnel lies approximately 65 feet below the surface near the intersection of 8th Avenue North, Roy Street, and Broad Street. Within the area proposed for vacation the tunnel is between 42 feet and 52 feet below grade and occupies approximately 867 square feet.

Because the tunnel is so deep, King County indicated that development may occur over the site. The utility line is so large in scale and so important to King County that it was necessary to outline any potential impacts to development over and adjacent to the Mercer Tunnel. SDOT immediately began developing a permanent easement agreement that protects the tunnel. SDOT and King County have agreed on the terms of a permanent easement and the easement is ready to be recorded if the vacations are granted.

In addition, SPU outlined various sewer and water pipes and facilities that will need to be relocated when the property is sold and development occurs.

SDOT has not identified any utility impacts that cannot be resolved. Protecting the existing utility infrastructure and requiring the completion of the agreement with King County should be included as conditions of the vacation approval.

Light, Air, Open Space, and Views: Because street right-of-way is open and undeveloped, streets and alleys can have value as open space and be important view corridors. Streets can provide important breathing space in dense urban areas and provide a visual break between large-scale buildings. In this case, the street right-of-way provides 61,811 square feet of open and undeveloped space. In a dense and growing neighborhood that amount of space can be important. However, this space is not currently accessible to the public and there is no proposal or funding option to preserve the site as open space.

The proposed through-block corridor provides a connection through the site in alignment with 8th Avenue North. This pedestrian and bicycle connection will be 60 feet in width and will provide public open space and views through the site and a visual break between the new buildings. The space is proposed to be approximately 11,000 square feet and will be designed to welcome the public to use the site for access or as a lingering space. There can be opportunities for programs and community events on through-block corridor. There will be less open space on the site following the vacations, but the open space will be developed for public access by pedestrians and cyclists and will be more accessible and functional than the existing right-of-way.

This area is well-served with public open spaces and cultural facilities. This location lies between two significant public open spaces. The Seattle Center is a few blocks to the

southwest and offers open space and a variety of active community uses. Lake Union Park is only two blocks to the north of the site and offers green open space, and recreational and cultural activities.

SDOT does not identify adverse light, air, open space, or view impacts that are not mitigated by the proposed through-block pedestrian connection.

Protecting Against Adverse Land Use Impacts: The second step in the review process is to evaluate the land use impacts of the proposed vacation and subsequent development. The land use portion of the Policies, Policy 4, is concerned primarily with ensuring that post-vacation development is consistent with the land use pattern in the area and with City policies and codes. The Policies state that proposed vacations may be approved only when the development potential that is attributable to the vacation would be consistent with the land use policies adopted by the City Council. The vacation decision will be based on the policies applicable for the type of area where the development is proposed.

In the petition, SDOT estimated that the development potential of the site is effectively doubled by the vacation as the site now (considering the parcels and rights-of-way) is currently 58% right-of-way. Increasing the development potential of the site by creating a property that is more standard in size and shape is important to facilitate future development on the site.

This vacation would support Comprehensive Plan goals to develop urban centers as concentrated areas for housing and employment by increasing the development potential on this site. The vacation also would be consistent with Comprehensive Plan goals for mixed-use commercial areas, which include "creating strong and successful commercial and mixed-use areas that encourage business creation, expansion and vitality." The vacations support the consolidation of property and the sale of the property.

Some earlier analysis of the property identified the project as a "Megablock", however, the plan to provide the through-block corridor will effectively create a two-block site with open space between buildings. The potential development on the future site resulting from this vacation is expected to be consistent with existing or future development in the area. Zoning on this block is SM 160/85-240; this zoning continues to the south, west, and northwest of the block. Northeast and east of the block, the zoning is SM-85 and SM-85/65-160.

Future development on this block likely would be reviewed by the Design Review Board and design review would consider compatibility of size, scale, and character of potential development on this block in the context of the surrounding neighborhood. This area has seen considerable growth in recent years with several full-block projects. The City Council has granted four alley vacations in the last eight years to accommodate full-block developments. The vacation would result in a lot area of 104,777 square feet, which is like several large sites within the immediate vicinity of this block.

The rights-of-way to be vacated do not provide a strong edge or boundary between zones or areas of different scale and character, and would not result in intrusions of residential development into commercial and industrial zones or the converse.

Since no specific development proposal exists now, the specific land use impacts of the vacation cannot be determined. However, any development proposals occurring because of this vacation will be required to comply with all relevant codes, policies, and application requirements when the development proposal is reviewed.

Providing Public Benefit: The Street Vacation Policies require that vacations must provide a long-term public benefit. Vacations will not be approved to achieve short-term public benefits or for the sole benefit of individuals. It is anticipated that the public benefit will include specific and tangible physical elements as the Policies specify that facilitating economic development, meeting code requirements for development, or mitigating defined impacts is not a sufficient public benefit.

The Policies require that the Petitioner provide some information about the project site to assist in the review of the public benefit proposal. The goal of including this information is to help in determining if there is an appropriate balance between what the developer achieves from the vacation and what is provided to the public.

Public Benefit Matrix:

Zoning designation	Seattle Mixed (SM) 175/85-280
Street classification	Broad Street: Principal arterial Mercer Street: Principal arterial
Assessed value of adjacent property	SDOT parcels are exempt from assessment per State Law; estimated 2013 value of the parcels is \$14.5 million dollars.
Lease rates in the vicinity for similar projects	\$47 per sq. ft.: new full-service office space \$32 per sq. ft.: retail space \$3.20 per sq. ft.: apartment space \$47 per sq. ft.: biotech/lab space
Size of project in square feet	Not available
Size of area to be vacated in square feet	Broad Street: 61,799 square feet Mercer Street: 12 square feet Total: 61,811 square feet
Contribution of vacated area to development potential	The vacation will increase the area by 144%, from approximately 42,965 square feet to approximately 104,777square feet. This would increase the estimated maximum building potential of the site from approx. 400,000 square feet to approx. 700,00 square feet of building space.

The Policies provide that there should be a balance between what the public gives up and what the Petitioner acquires through the vacation process. The review should consider the scale of the vacation, the scale of the project, and the identified impacts. If a project is significant in scale, if the vacation is large or if the project has significant impacts, then the Policies anticipate that the public benefit proposal must also be significant.

In the absence of a development proposal it is more difficult to determine whether the scale of the proposed public benefit is appropriate. During the review of the proposed vacation, SDOT considered the zoning and the scale of other current and proposed developments in the area. Public benefit elements that the City Council supported with other projects in the Lake Union area were also considered. The Design Commission reviewed this proposal four times and spent significant time working on the public benefit plan with the SDOT proponents.

In addition, SDOT worked with community representatives to determine what public benefit elements the community would like to see. The result is a public benefit plan that features public open space on the site and includes elements such as a street concept plan to guide street improvements to the north of the site, bicycle improvements, and an SDOT commitment to work on a Transit Hub through the One Center City plan. There are two categories of public benefits included in the proposal. The first is the open space and street design elements that will become the property purchaser's obligation and the second are items that will remain SDOT's obligation.

In addition to addressing the scale or amount of public benefit that must be provided, the Policies also require that the proposed public benefit elements must clearly benefit the public and not merely the tenants of the project. The Policies are also clear that the public benefit proposed for a vacation must be separate and above amenities provided to meet code or other requirements. With this project, the public benefit has been determined in advance of any development and the regulatory obligations are not known. The vacation conditions should specify that the public benefit obligations should not be used to meet any other code or regulatory requirements.

PUBLIC BENEFIT

Broad Street Public Benefit Proposal

1.	Eighth Avenue North - New Surface Public Access Easement of Right-of-Way Through Site (Mercer-Roy): Developer Obligation
<p>Description:</p> <ul style="list-style-type: none"> • New 60-foot-wide pedestrian street to further establish the neighborhood street grid and connect the neighborhood north of the site to Mercer Street • Improvements will implement the South Lake Union Urban Design Framework and will be consistent with the Eighth Avenue North Design Guidelines • Provides 11,000 square feet of public open space <p>Implementation:</p> <ul style="list-style-type: none"> • By site purchaser/developer • Requirements included in the RFP and Purchase and Sale agreement • Design Commission review required • Maintenance and activation by adjacent property owner/purchaser <p>Estimated Cost: \$400,000 - \$700,000</p>	
2. Street Concept Plan for Eighth Avenue N and Aloha Street: SDOT Obligation	
<p>Description:</p> <ul style="list-style-type: none"> • Streetscape Concept Plan for improvements to extend the Eighth Avenue North streetscape improvements north of the site and connect to Lake Union Park • The Streetscape Concept Plan is a tool to promote improvements by private development along Eighth Avenue North • Further implements the SLU Urban Design Framework • Up to 12,000 square feet of pedestrian/landscape area <p>Implementation:</p> <ul style="list-style-type: none"> • SDOT will complete development of the Street Concept Plan in 2018 and use the plan to incentivize improvements on Eighth Avenue North between Roy Street and Aloha and on Aloha between Eighth Avenue North and Westlake Avenue North <p>Estimated Cost:</p> <ul style="list-style-type: none"> • \$15,000 (SDOT to develop street concept plan) • \$650,000 – \$880,000 (Potential to encourage streetscape capital improvements adjacent to future private developments) 	
3. Mercer Protected Bike Lanes: Developer Obligation	
<p>Description:</p> <ul style="list-style-type: none"> • Extend two-way bike lanes on north side of Mercer from Dexter to Ninth to provide a key link in the bicycle network <p>Implementation:</p> <ul style="list-style-type: none"> • By site purchaser/developer • Requirements included in the RFP and Purchase and Sale agreement 	

Estimated Cost: \$200,000
4. Ninth Ave N (Mercer - Westlake): Completed SDOT Obligation
Description: <ul style="list-style-type: none">Protected bike lanes to advance implementing the City and neighborhood bicycle network and connect the Westlake Cycle Track to South Lake Union, Downtown and Uptown (the latter via Mercer)
Implementation: <ul style="list-style-type: none">SDOT – Completed in 2017
Estimated Cost: \$235,000
5. Seventh Ave N Transit Hub (Harrison-Thomas): SDOT Obligation
Description: <ul style="list-style-type: none">Implementation Plan for bus zone, sidewalks, and streetscape on Aurora Avenue North to enhance connections between regional transit routes and the surrounding neighborhoodIdentified as a priority by the South Lake Union Community CouncilImplements the South Lake Union Mobility Plan
Implementation: <ul style="list-style-type: none">SDOT to lead design through the One Center City Plan (2017-2018)SDOT will coordinate with Sound Transit as a part of ST3 planningImprovements to be coordinated with rebuild of Aurora Avenue NorthImplementation coordinated with rebuild of Aurora (Seventh) by Alaskan Way Viaduct Replacement (2019-2020)Could include interim use of a portion of WSDOT's property until it is sold and redeveloped
Estimated Cost: <ul style="list-style-type: none">\$20,000 for plan development\$30,000 for bike storageother costs to be determined

Overall, the public benefit elements are consistent with priorities expressed by the adjacent community and with the types of public benefit features supported on previous vacations. The public benefit elements should add to the vibrant character of the area and support pedestrian activity and connections through the community.

This proposal does not have a development that will immediately begin the entitlement process, so the conditions and public benefit obligations must be tied to the vacation ordinance and the RFP process. SDOT may work with Law on additional accountability measures, if needed, to ensure that all conditions are addressed.

The RFP will include the public benefit obligations that will be required of the developer and

the Community Benefit obligations will be conditions of the property sale. The RFP process can ensure that the vacation obligations as imposed by the City Council are carried forward as the development proceeds. In addition, SDOT assumed obligations for a protected bike lane on 9th Avenue North, which has been completed. The SDOT obligation for work on a Transit Hub is addressed as part of the One Center City planning, which is underway and anticipated to be completed in 2018. SDOT anticipates forwarding the Plan to the City Council in 2018.

RECOMMENDATION

It is recommended that the vacation be granted subject to the Petitioner meeting the following conditions.

The Petitioner shall demonstrate to the satisfaction of the City that all conditions imposed by the City Council have been fully satisfied including: all utility work relating to the vacation including utility relocations; easements or other agreements are completed; all public benefit elements have been provided or are otherwise assured; any other agreements or easements have been completed and recorded as necessary; and any fees paid before the street vacation ordinance is approved.

1. The vacation is granted to allow the Petitioner to proceed with the RFP process to market the consolidated site consistent with the conditions imposed by the Sustainability and Transportation Committee in December 2017. The RFP shall, as appropriate, include the vacation conditions and public benefit obligations relating to the development of the site.
2. All street improvements associated with the subsequent development shall be designed to City standards, as modified by these conditions to implement the public benefit requirements, and be reviewed and approved by SDOT.
3. All utility issues shall be resolved to the full satisfaction of the affected utility before the final vacation ordinance is approved. Before any development activity on the site starts, the Petitioner shall work with the affected utilities and provide for the utility facilities to be protected. This may include easements, restrictive covenants, relocation agreements, or acquisition of the utilities, which shall be at the sole expense of the Petitioner. Utilities impacted include:
 - Seattle Public Utilities has water and sewer lines that will need to be relocated or removed; and
 - King County has wastewater tunnel that will be subject to a permanent easement.
4. In addition to the conditions imposed through the vacation process, the development project is subject to SEPA review and to conditioning through the application of various City codes including SEPA.

5. A through-block corridor shall be provided from Roy Street to Mercer Street through the project site. The 60-foot corridor shall be provided by easement or dedication as determined by SDOT. The connection shall allow for pedestrian and bicycle use and shall not allow for vehicular access through the corridor or to the adjacent parcels. Vehicles may be permitted to support festival or programming uses in the corridor. The corridor shall remain continuously open and accessible to the public with temporary closures permitted for maintenance or safety reasons as determined by the City. Free speech activities shall be permitted in the corridor provided the activities do not unreasonably obstruct access through the corridor, to the buildings, or to other adjacent amenity features accessed by the corridor. Signage identifying the corridor as public access and allowing free speech activities shall be required. Sign content and locations shall be approved by SDOT before signs are installed.
6. SDOT shall commit to completing a Mobility Plan for South Lake Union and other Center City Neighborhoods (One Center City) and develop recommendations and implementation plans for improvements to support a Transit Hub on Aurora Avenue North between Thomas and Harrison Streets. SDOT will coordinate this work with Sound Transit as a part of ST 3 planning. SDOT shall present the One Center City plan to the City Council. It is anticipated the Plan will be forwarded for review in late 2018. The SDOT public benefit obligations shall be completed through this planning process and separately from the development-related obligations as described below.
7. The Petitioner shall ensure that the public benefits that are the responsibility of the owner/developer are assigned to the purchaser of the property and the public benefit obligations should be in addition to regulatory requirements. A Property Use and Development Agreement (PUDA) shall be required to ensure that the public benefit elements remain open and accessible to the public and in good repair. The final design of the public benefit elements shall be approved by SDOT. Public benefit elements in the right-of-way are, as applicable, subject to SIP review, street use permits, and indemnification.

Before a MUP is issued for either development site created as a result of this vacation, the Seattle Design Commission will review and approve the 8th Avenue right-of-way improvements through the project site, the through-block connection, using the 8th Avenue design guidelines developed for this vacation. The review and approval shall occur before a MUP decision for any portion of this site is published. The public benefit requirements include the following, which shall be incorporated into the PUDA:

PUBLIC BENEFIT

Broad Street Public Benefit Proposal

1.	Eighth Avenue North - New Surface Public Access Easement of Right-of-Way Through Site (Mercer-Roy): Developer Obligation
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Description:

- New 60-foot-wide pedestrian street to further establish the neighborhood street grid and connect the neighborhood north of the site to Mercer Street
- Improvements will implement the South Lake Union Urban Design Framework and will be consistent with the Eighth Avenue North Design Guidelines
- Provides 11,000 square feet of public open space

Implementation:

- By site purchaser/developer
- Requirements included in the RFP and Purchase and Sale agreement
- Design Commission review required
- Maintenance and activation by adjacent property owner/purchaser

Estimated Cost: \$400,000 - \$700,000

2. Street Concept Plan for Eighth Avenue N and Aloha Street: SDOT Obligation

Description:

- Streetscape Concept Plan for improvements to extend the Eighth Avenue North streetscape improvements north of the site and connect to Lake Union Park
- The Streetscape Concept Plan is a tool to promote improvements by private development along Eighth Avenue North
- Further implements the SLU Urban Design Framework
- Up to 12,000 square feet of pedestrian/landscape area

Implementation:

- SDOT will complete development of the Street Concept Plan in 2018 and use the plan to incentivize improvements on Eighth Avenue North between Roy Street and Aloha and on Aloha between Eighth Avenue North and Westlake Avenue North

Estimated Cost:

- \$15,000 (SDOT to develop street concept plan)
- \$650,000 – \$880,000 (Potential to encourage streetscape capital improvements adjacent to future private developments)

3. Mercer Protected Bike Lanes: Developer Obligation

Description:

- Extend two-way bike lanes on north side of Mercer from Dexter to Ninth to provide a key link in the bicycle network

Implementation:

- By site purchaser/developer
- Requirements included in the RFP and Purchase and Sale agreement

Estimated Cost: \$200,000

4. Ninth Ave N (Mercer - Westlake): Completed SDOT Obligation

Description:

- Protected bike lanes to advance implementing the City and neighborhood bicycle network and connect the Westlake Cycle Track to South Lake Union, Downtown and Uptown (the latter via Mercer)

Implementation:

- SDOT – Completed in 2017

Estimated Cost: \$235,000

5. Seventh Ave N Transit Hub (Harrison-Thomas): SDOT Obligation

Description:

- Implementation Plan for bus zone, sidewalks, and streetscape on Aurora Avenue North to enhance connections between regional transit routes and the surrounding neighborhood
- Identified as a priority by the South Lake Union Community Council
- Implements the South Lake Union Mobility Plan

Implementation:

- SDOT to lead design through the One Center City Plan (2017-2018)
- SDOT will coordinate with Sound Transit as a part of ST3 planning
- Improvements to be coordinated with rebuild of Aurora Avenue North
- Implementation coordinated with rebuild of Aurora (Seventh) by Alaskan Way Viaduct Replacement (2019-2020)
- Could include interim use of a portion of WSDOT's property until it is sold and redeveloped

Estimated Cost:

- \$20,000 for plan development
- \$30,000 for bike storage
- other costs to be determined

Respectfully,



Scott Kubly
Seattle Department of Transportation

SK:bb

Enclosures

ATTACHMENT A

PORTIONS OF BROAD STREET, CONDEMNATION ORDINANCE NOS. 50890 AND 84452, 8TH AVENUE NORTH AND MERCER STREET MORE PARTICULARLY DESCRIBED AS FOLLOWS;

COMMENCING AT THE MONUMENTED INTERSECTION OF ROY ST. AND DEXTER AVE. NORTH;

THENCE SOUTH 01°28'04" WEST ALONG THE CENTERLINE OF SAID DEXTER AVE. NORTH, A DISTANCE OF 153.09 FEET;

THENCE, AT A RIGHT ANGLE, SOUTH 88°31'56" EAST, A DISTANCE OF 53.00 FEET TO A POINT ON THE EAST MARGIN OF SAID DEXTER AVE. NORTH AND THE TRUE POINT OF BEGINNING;

THENCE SOUTH 88°32'51" EAST, A DISTANCE OF 13.01 FEET;

THENCE NORTH 52°53'29" EAST, A DISTANCE OF 179.96 FEET;

THENCE NORTH 88°20'14" EAST, A DISTANCE OF 35.72 FEET TO THE BEGINNING OF A CURVE, CONCAVE TO THE NORTH, WITH A RADIUS OF 35.00 FEET, WHICH CENTER BEARS NORTH 01°41'43" WEST;

THENCE ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 31°52'16", A DISTANCE OF 19.47 FEET TO THE SOUTH MARGIN OF SAID ROY ST;

THENCE ALONG SAID MARGIN SOUTH 88°32'41" EAST, A DISTANCE OF 62.10 FEET;

THENCE CONTINUING ALONG SAID SOUTH MARGIN SOUTH 88°33'04" EAST, A DISTANCE OF 67.29 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE NORTH, WITH A RADIUS OF 100.00 FEET, WHICH CENTER BEARS NORTH 23°15'55" EAST;

THENCE ALONG SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 19°00'48", A DISTANCE OF 33.18 FEET;

THENCE SOUTH 85°44'53" EAST, A DISTANCE OF 55.09 FEET;

THENCE SOUTH 88°35'57" EAST, A DISTANCE OF 123.52 FEET;

THENCE SOUTH 01°43'01" WEST, A DISTANCE OF 160.63 FEET;

THENCE NORTH 88°48'50" WEST, A DISTANCE OF 9.19 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE WEST, WITH A RADIUS OF 65.00 FEET, WHICH CENTER BEARS NORTH 79°15'44" WEST;

THENCE ALONG SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 60°05'28", A DISTANCE OF 68.17 FEET TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE TO THE SOUTHWEST, WITH A RADIUS OF 140.00 FEET, WHICH CENTER BEARS SOUTH 40°38'47" WEST;

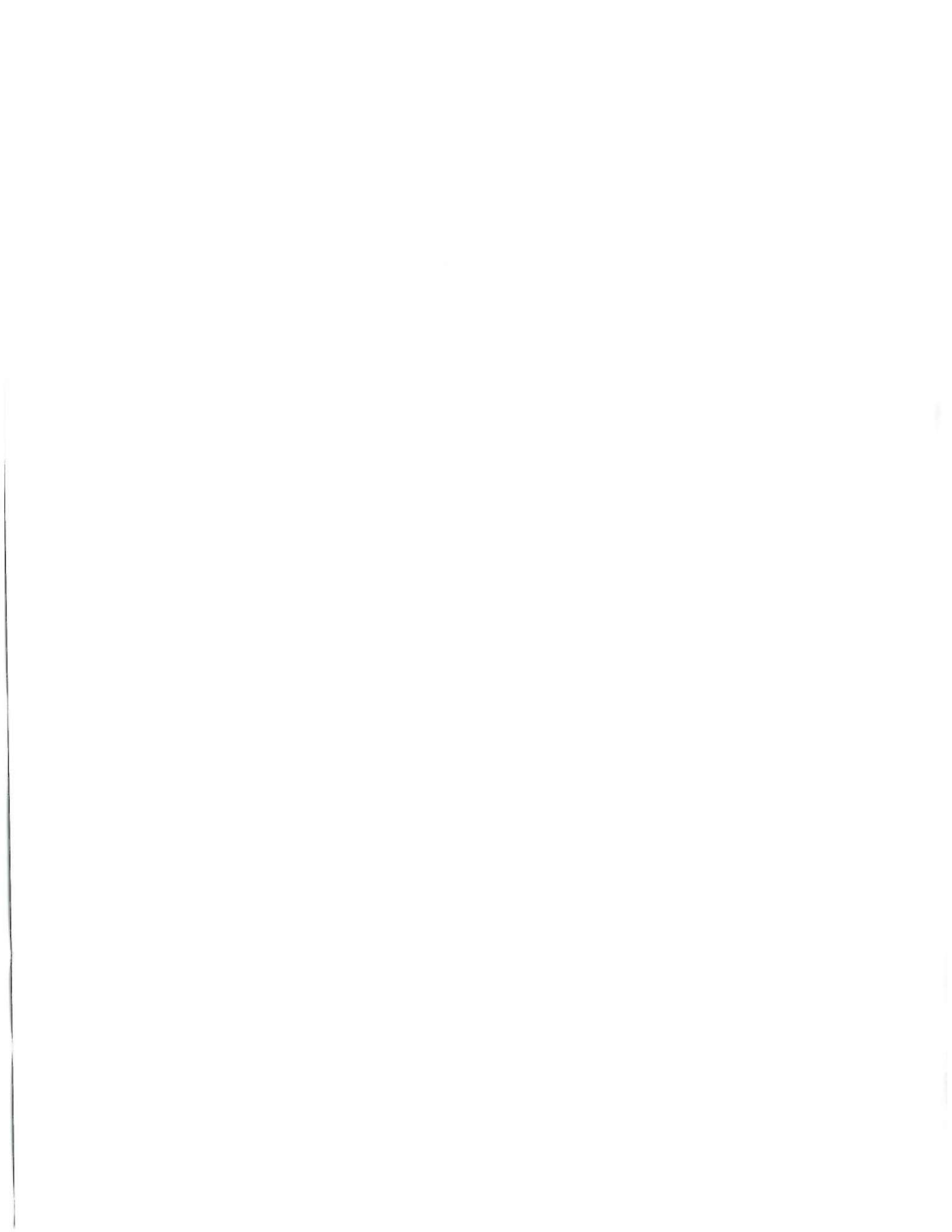
THENCE ALONG SAID COMPOUND CURVE THROUGH A CENTRAL ANGLE OF 36°51'30", A DISTANCE OF 90.06 FEET TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE TO THE SOUTH, WITH A RADIUS OF 379.17 FEET, WHICH CENTER BEARS SOUTH 00°06'44" EAST;

THENCE ALONG SAID COMPOUND CURVE THROUGH A CENTRAL ANGLE OF 8°39'25", A DISTANCE OF 57.29 FEET;

THENCE SOUTH $80^{\circ}53'45''$ WEST, A DISTANCE OF 15.88 FEET TO THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE TO THE SOUTH, WITH A RADIUS OF 501.24 FEET, WHICH CENTER BEARS SOUTH $10^{\circ}13'58''$ EAST;
THENCE ALONG SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF $3^{\circ}07'36''$, A DISTANCE OF 27.35 FEET TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE TO THE SOUTHEAST, WITH A RADIUS OF 956.22 FEET, WHICH CENTER BEARS SOUTH $14^{\circ}25'20''$ EAST;
THENCE ALONG SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF $6^{\circ}10'27''$, A DISTANCE OF 103.04 FEET TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE TO THE SOUTHEAST, WITH A RADIUS OF 1338.00 FEET, WHICH CENTER BEARS SOUTH $20^{\circ}01'33''$ EAST;
THENCE ALONG SAID COMPOUND CURVE THROUGH A CENTRAL ANGLE OF $7^{\circ}05'26''$, A DISTANCE OF 165.58 FEET;
THENCE SOUTH $29^{\circ}32'43''$ EAST, A DISTANCE OF 7.51 FEET;
THENCE SOUTH $58^{\circ}57'10''$ WEST, A DISTANCE OF 9.05 FEET;
THENCE SOUTH $35^{\circ}16'26''$ WEST, A DISTANCE OF 34.03 FEET;
THENCE SOUTH $84^{\circ}21'54''$ WEST, A DISTANCE OF 32.96 FEET TO THE NORTH MARGIN OF MERCER ST.;
THENCE CONTINUING SOUTH $84^{\circ}21'54''$ WEST, A DISTANCE OF 12.52 FEET;
THENCE NORTH $57^{\circ}22'25''$ WEST, A DISTANCE OF 2.98 FEET TO SAID NORTH MARGIN;
THENCE CONTINUING NORTH $57^{\circ}22'25''$ WEST, A DISTANCE OF 17.16 FEET TO THE EAST MARGIN ON DEXTER;
THENCE NORTH $01^{\circ}28'04''$ EAST ALONG SAID EAST MARGIN, A DISTANCE OF 111.22 FEET TO THE TRUE POINT OF BEGINNING;

CONTAINING AN AREA OF 61,811 SQUARE FEET OR 1.4190 ACRES, MORE OR LESS.

SITUATE IN THE CITY OF SEATTLE, KING COUNTY, WASHINGTON STATE



Attachment 3A: Support for affordable housing

Amendment A

This amendment would add a recital to Resolution 31786 indicating that the City's primary purpose for selling the 800 Mercer Street and 615 Dexter Avenue N properties is to increase resources for affordable housing.

* * *

WHEREAS, vacating Broad Street to consolidate all property for sale will help ensure that the City receives the maximum value for the property and that the full value of the block is realized when the property is sold; and

WHEREAS, the City's goal for disposing of 800 Mercer Street and 620 Aurora Avenue N is to increase affordable housing resources either through on-site production or through increasing the amount of funding available for affordable housing projects; and

WHEREAS, the success of the disposition of these City-owned properties depends on a clear, strategic, and achievable vision, defined through principles which will guide the redevelopment of these properties; and

WHEREAS, in particular, the principles will look at the mix of uses that will build on the uniqueness and character of this part of the community, activate the site, and provide places for the community to gather; these uses may include a mix of housing (both affordable and market rate), commercial development, and public uses; and

WHEREAS, 800 Mercer Street and 620 Aurora Avenue N are valuable properties that, properly marketed, could achieve significant leveraging of these City assets, creating substantial public and community benefits for this neighborhood of opportunity; and

* * *

Attachment 3B: Add RFP Requirements

Amendment B

This amendment would amend section 2 of Resolution 31786 to identify specific requirements to be included in the RFP for 800 Mercer Street and 615 Dexter Avenue N.

Section 2. The City Budget Office and other City departments are all requested to coordinate and work collaboratively to achieve the steps and conditions in Section 1 of this resolution in an expeditious manner with the intent to issue the joint RFP for the disposition of 800 Mercer Street and 620 Aurora Avenue N no later than the end of the first quarter of 2018.

The RFP should include the following requirements:

1. Development of the site must meet or exceed sustainability standards of LEED Gold or Washington State's Evergreen Sustainable Development Standards.
2. Hospitality operators that are part of the development will enter into a Labor Harmony Agreement.
3. The respondent will be responsible for any incremental costs to remediate environmental contamination on the site.
4. The future developer(s) of the sites will enter into a project labor agreement prior to construction.
5. The properties must be sold at Fair Market Value.
6. Priority may be given to respondents that include additional community benefits as part of their project, in particular, provision of affordable housing units that exceed the requirements of the Mandatory Housing Affordability program will be considered a priority.

Attachment 3C: Consult with Council prior to issuance of the RFP

Amendment C

This amendment would add a new Section 3 to Resolution 31786 requesting that the City Budget Office (CBO) consult with Councilmembers prior to granting the RFP to a respondent.

Section 3. The Council requests that prior to selecting the respondent(s) to the RFP, CBO present the top three proposals to the Council. For this presentation, CBO should, at least, provide a comparison of the proposed number of affordable units and income levels provided by those respondent's proposals. CBO's presentation should also identify how the proposals would provide affordable housing as a result of on-site development of affordable housing, commitments to fund affordable housing off-site, and the amount of affordable housing that could be leveraged through City allocation of the proceeds of the sale of the property for affordable housing purposes. Because real estate negotiations are typically held confidential, such presentation should occur in an Executive Session of the Full Council, or other appropriate forum agreed to by Councilmembers.

Attachment 3D: Council intent regarding the use of proceeds from the sale

Amendment D

This amendment would add a Section 4 to Resolution 31786 signaling the Council's intent to use the proceeds from sale of the properties to develop affordable housing.

Section 4. The Council intends to use the proceeds from the sale of these properties to pay off any outstanding debt from loans secured against the property and to fund the development of affordable housing.