



# SEATTLE CITY COUNCIL

## Public Assets and Homelessness Committee

### Agenda - Revised

Wednesday, January 18, 2023

2:00 PM

Revised

Council Chamber, City Hall  
600 4th Avenue  
Seattle, WA 98104

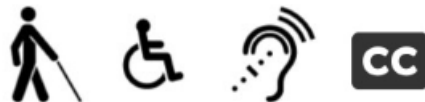
Andrew J. Lewis, Chair  
Teresa Mosqueda, Vice-Chair  
Lisa Herbold, Member  
Debora Juarez, Member  
Tammy J. Morales, Member

Chair Info: 206-684-8807; [Andrew.Lewis@seattle.gov](mailto:Andrew.Lewis@seattle.gov)

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**SEATTLE CITY COUNCIL**  
**Public Assets and Homelessness Committee**  
**Agenda - Revised**  
**January 18, 2023 - 2:00 PM**  
**Revised**

**Meeting Location:**

Council Chamber, City Hall, 600 4th Avenue, Seattle, WA 98104

**Committee Website:**

<https://www.seattle.gov/council/committees/public-assets-and-homelessness>

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This meeting also constitutes a meeting of the City Council, provided that the meeting shall be conducted as a committee meeting under the Council Rules and Procedures, and Council action shall be limited to committee business.

Members of the public may register for remote or in-person Public Comment to address the Council. Details on how to provide Public Comment are listed below:

Remote Public Comment - Register online to speak during the Public Comment period at the meeting at

<http://www.seattle.gov/council/committees/public-comment>. Online registration to speak will begin two hours before the meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

In-Person Public Comment - Register to speak on the Public Comment sign-up sheet located inside Council Chambers at least 15 minutes prior to the meeting start time. Registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

Submit written comments to Councilmember Lewis at [Andrew.Lewis@seattle.gov](mailto:Andrew.Lewis@seattle.gov)

*Please Note: Times listed are estimated*

**A. Call To Order**

**B. Approval of the Agenda**

**C. Public Comment**

**D. Items of Business**

1. [CB 120492](#) **AN ORDINANCE relating to the maintenance and operations for the Waterfront Park and Public Spaces; authorizing the Superintendent of Seattle Parks and Recreation to delegate certain Central Waterfront maintenance, operations, and management to the Seattle Center Department; delegating authority to the Seattle Center Director to enforce Waterfront Park and Public Spaces Rules; and authorizing an extension of the existing Pilot Agreement with Friends of Waterfront Seattle.**

Attachments: [Att A - Waterfront Park and Public Spaces Map](#)

Supporting

Documents: [Summary and Fiscal Note](#)

[Central Staff Memo](#)

[Presentation \(1/4/2023\)](#)

**Briefing, Discussion, and Possible Vote**

**Presenters:** Marshall Foster, Interim Director, Seattle Center; Robert Nellams, Director, Seattle Center; Christopher Williams, Deputy Director, Seattle Parks and Recreation ; Joy Shigaki, President & CEO, Friends of Waterfront Seattle ; Tiffani Melake, Office of the Waterfront and Civic Projects; Eric McConaghy, Central Staff

2. [CB 120496](#) **AN ORDINANCE relating to the Seattle Waterfront Park; authorizing the Director of Seattle Center to accept non-City funds; amending Ordinance 126725, which adopted the 2023 Budget; and creating new positions at Seattle Center.**

Attachments: [Att A - Friends of the Waterfront Funding Commitment Letter](#)

Supporting Documents: [Summary and Fiscal Note](#)

**Briefing, Discussion, and Possible Vote**

**Presenters:** Marshall Foster, Interim Director, Seattle Center; Robert Nellams, Director, Seattle Center; Christopher Williams, Deputy Director, Seattle Parks and Recreation; Joy Shigaki, President & CEO, Friends of Waterfront Seattle; Tiffani Melake, Office of the Waterfront and Civic Projects; Eric McConaghy, Central Staff

3. [CB 120484](#) **AN ORDINANCE authorizing the Director of Finance and Administrative Services to execute a fifth amendment to the Lease and Concession Agreement between The City of Seattle and BH Music Center for Benaroya Hall.**

Attachments: [Att A - Fifth Amendment to Lease and Concession Agreement](#)

Supporting Documents: [Summary and Fiscal Note](#)  
[Summary Att A - Map of Facility](#)  
[Amendment 1](#)  
[Amendment 2](#)  
[Amendment 3](#)  
[Central Staff Memo](#)

**Briefing, Discussion, and Possible Vote**

**Presenters:** Jamie Carnell, Interim Director, Kristi Beattie, Finance and Administrative Services

4. **Seattle Convention Center opening update**

Supporting Documents: [Presentation](#)

**Briefing and Discussion**

**Presenters:** Jeff Blosser, President and CEO, Seattle Convention Center; Deryl Brown-Archie, WSCC PFD Board of Directors; Emelie East, CBE Strategic

5. **HSD quarterly report on activities responding to unsheltered homelessness**

Supporting Documents: [HSD Presentation](#)  
[HSD Report \(Q3 2022\)](#)  
[KCRHA Presentation](#)

**Briefing and Discussion**

**Presenters:** Michael Bailey, Deputy Director, Human Services Department; Jeff Simms, King County Regional Homelessness Authority

**E. Adjournment**



## Legislation Text

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**File #:** CB 120492, **Version:** 1

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**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

AN ORDINANCE relating to the maintenance and operations for the Waterfront Park and Public Spaces; authorizing the Superintendent of Seattle Parks and Recreation to delegate certain Central Waterfront maintenance, operations, and management to the Seattle Center Department; delegating authority to the Seattle Center Director to enforce Waterfront Park and Public Spaces Rules; and authorizing an extension of the existing Pilot Agreement with Friends of Waterfront Seattle.

WHEREAS, in January 2011, the Seattle City Council (Council) adopted Resolution 31264, establishing a set of Guiding Principles to inform efforts to create new parks and public spaces on the Central Waterfront, and creating the Central Waterfront Partnerships Committee (CWPC) to advise the City on the development of the waterfront design, ensuring robust and innovative public engagement, identifying public and private funding sources, and establishing the foundation for a lasting civic partnership; and

WHEREAS, in August 2012, the Council adopted Resolution 31399, which endorsed the Central Waterfront Concept Design and Framework Plan developed through broad and inclusive public engagement over two years and also endorsed a Waterfront Strategic Plan, which established a funding plan including a mix of public, private, and philanthropic sources; and

WHEREAS, in 2013, the City established the Waterfront Seattle Program, a series of capital improvements based on the Central Waterfront Concept Plan; the program is a \$756 million investment supported by a funding partnership including a \$160 million Local Improvement District and a \$110 million philanthropic contribution; and

WHEREAS, throughout the design, planning, and construction of the Central Waterfront improvements, the City and the community have prioritized the need to identify and fund operations, maintenance, and a

public safety program that protects and enhances this investment and ensures new public spaces will be safe, well-maintained, and inviting to the public over the long term, and memorialized that commitment through Resolution 31399 and subsequent City ordinances; and

WHEREAS, in August 2014, Seattle voters approved creation of the Seattle Park District, and funds collected by the District pay for operations and maintenance of Seattle parks, including an annual budget dedicated to operations and maintenance of the Central Waterfront Parks and Public Spaces; and

WHEREAS, in September 2017, the Council adopted Resolution 31768, in which the City stated its intent to work with Friends of Waterfront Seattle (Friends) to reach an agreement for the long-term provision of high-quality operations and management services commensurate with the quality of programming envisioned in the public planning for the waterfront, and as reflected in the improvements included in the Central Waterfront Improvement Program; and

WHEREAS, in that resolution, the City stated its expectation that any future agreement with Friends would include a scope of work that identifies a standard of care commensurate with the Waterfront Seattle investment and in which all maintenance activities shall be provided by a dedicated and consistent team of City staff working in partnership with Friends; and

WHEREAS, in January 2019, the Council passed Ordinance 125761, authorizing a two-year agreement with Friends to govern the operations, management, and programming services for the completed Pier 62 and stating an intention that following the agreement, the City would enter a long-term management agreement, subject to City Council approval; and

WHEREAS, in the same ordinance, the Council created the Central Waterfront Oversight Committee (“CWOC”), with whom the City and Friends are committed to coordinating with on long-term management of waterfront public spaces, establishing a performance standard for maintenance, programming, and public safety, and following up with regular evaluations and proposing corrections where needed to help ensure the performance standard is being met; and

WHEREAS, in its 2021 Annual Report the CWOC recommended that the City consider transferring maintenance and public safety operations to the Seattle Center Department, which has a proven track record in successfully managing urban public spaces that serve a diverse range of activities and populations; and

WHEREAS, the Seattle Parks and Recreation Superintendent delegating the authority of special functions for Waterfront Operations to Seattle Center will permit Seattle Parks and Recreation to remain focused on providing park services to the broader Seattle parks and recreation system as a whole; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The Waterfront Park and Public Spaces include the Habitat Bench, the Washington Street Boat Landing, Pier 58, Pier 62, and the Waterfront Park Boulevard, illustrated in Attachment A to this ordinance.

Section 2. The Seattle City Council authorizes Seattle Parks and Recreation Superintendent (the “Superintendent”) to delegate the authority to operate, maintain, and manage Waterfront Park and Public Spaces to the Seattle Center Director (the “SC Director”). All delegations of the Superintendent to the Director shall be made in writing and shall be acceptable to both officials. Notwithstanding any delegation, the Waterfront Park and Public Spaces remain a part of the Seattle parks and recreation system.

At all times, operations, maintenance, and management responsibilities shall be consistent with the requirements of Ordinance 125762 and Attachment C of Ordinance 125761. Seattle Center will be evaluated on park operations and management through the performance standard and park inspections on an ongoing basis.

Section 3. The SC Director or the SC Director’s designee is authorized to adopt, amend, and enforce Waterfront Park and Public Spaces Rules (“Rules”) to help ensure public use, access, and enjoyment, and to ensure the safety and security of the public. Before proposing any modifications or new Rules for public comment, the SC Director will consult with the Central Waterfront Oversight Committee.



Section 4. The Director of the Office of the Waterfront and Civic Projects (“OWCP Director”), the Superintendent, and the SC Director, through their respective designees, shall develop a long-term management agreement with Friends of Waterfront Seattle that shall provide for the operations, management, public safety, and programming services for the Waterfront Park and Public Spaces (the “Management Agreement”). The Management Agreement shall be consistent with the terms for the long-term agreement outlined in Attachment C to Ordinance 125761 and must be reviewed and approved through ordinance by City Council prior to execution. The Superintendent and Office of the Waterfront Director are authorized to extend the existing Pilot Agreement with Friends of Waterfront Seattle, which was first authorized under Ordinance 125761, until the long-term agreement is authorized by the City Council.

Section 5. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2023, and signed by me in open session in authentication of its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved / returned unsigned / vetoed this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Bruce A. Harrell, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

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Elizabeth M. Adkisson, Interim City Clerk

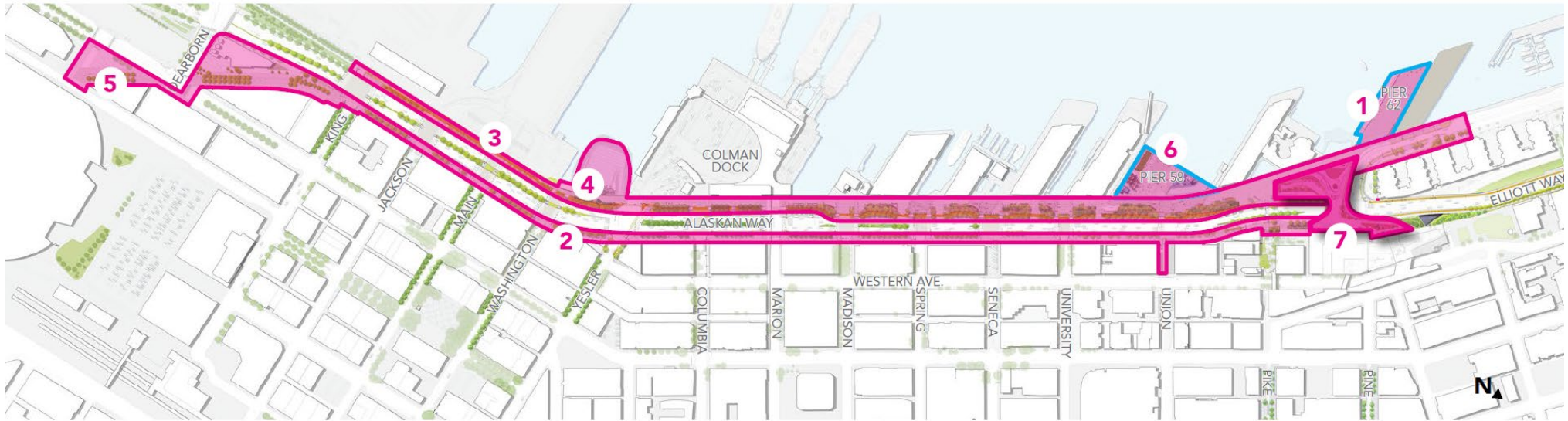
(Seal)

Attachments:

Attachment A - Waterfront Park and Public Spaces Map

# WATERFRONT PARK AND PUBLIC SPACES

AUGUST 2022



● CURRENT SPR PARK PROPERTY ● WATERFRONT PARK AND PUBLIC SPACES

## PILOT AGREEMENT (2020 - 2022)

- 1 Pier 62 and Floating Dock**  
Rebuilt to once again to support free public concerts and events.

## MANAGEMENT AGREEMENT (2023)

- 1 Pier 62 and Floating Dock**
- 2 Alaskan Way East and Union Street**  
Widened sidewalk, landscaping and green storm-water features. A new pedestrian bridge and elevator at Union Street will connect Western Avenue to the Waterfront Promenade.
- 3 Waterfront Promenade**  
A few linear park with walkways, lighting, landscaping, seating and green storm-water features. In Elliott Bay, new underwater habitat improvements will help restore the native inter-tidal habitat.
- 4 Habitat Bench and Washington Street Boat Landing**  
Restored landmark pergola structure that will serve the public through small concessions and a new public beach that supports the ecosystem, including the salmon corridor.
- 5 Railroad Way**  
A pedestrian gateway linking the waterfront to Pioneer Square and the stadiums. Railroad Way will encourage new circulation and activities throughout the year and on game days at Lumen Field and Safeco Field.

- 6 Pier 58**  
Rebuilt park with an urban plaza and children's playground.
- 7 Overlook Walk**  
A new, accessible connection between Pike Place Market and the Waterfront. It will take pedestrians over the new Alaskan Way without crossing the street and will include seating, informal play areas and views.

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact:</b>	<b>CBO Contact/Phone:</b>
Office of the Waterfront and Civic Projects (OWCP)	Tiffani Melake	Caleb Wagenaar
Seattle Parks and Recreation (SPR)	David Graves	Justin Hellier
Seattle Center (CEN)	Rose Ann Lopez	Jennifer Breeze

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

**1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to the maintenance and operations for the Waterfront Park and Public Spaces; authorizing the Superintendent of Seattle Parks and Recreation to delegate certain Central Waterfront maintenance, operations, and management to the Seattle Center Department; delegating authority to the Seattle Center Director to enforce Waterfront Park and Public Spaces Rules; and authorizing an extension of the existing License Agreement with Friends of Waterfront Seattle.

**Summary and Background of the Legislation:**

The purpose of this legislation is to authorize the Superintendent of Seattle Parks and Recreation (SPR) to delegate their authority to operate, maintain, and manage the Waterfront Park and Public Spaces to the Director of the Seattle Center.

The City has made a commitment to high quality maintenance and operations of the waterfront which has been formalized in several pieces of adopted legislation which outline the specifics of those commitments including our Operations & Maintenance Ordinance (Ordinance 125761) and legislation forming the City’s Waterfront Local Improvement District (both adopted in 2019).

Planning for the long-term operations and maintenance of Waterfront Park and Public Spaces identified SPR as the lead City Department to deliver on the maintenance and public safety commitments and oversee the dedicated waterfront team. Throughout the last two years, our Central Waterfront Oversight Committee (CWOC) conducted a national peer park review, which highlighted Seattle Center’s specialization in large scale urban space management, and their holistic approach to maintenance, programming/activation, and public safety. Given Seattle Center’s successful track record in public space management, CWOC recommended in 2021 that the City delegate operations, maintenance and management of Waterfront Park and Public Spaces to Seattle Center, enabling SPR to devote more focus to the citywide parks and recreation system as a whole. While the legislation would authorize the SPR Superintendent to delegate operations, maintenance and management authority to Seattle Center, Waterfront Park and Public Spaces will remain Park Boulevard(s) and Seattle Parks and Recreation assets.

This legislation also authorizes the Seattle Center Director or their designee to adopt, amend, and enforce rules and code of conduct for the Waterfront Park and Public Spaces. Park Boulevard legislation was passed in 2021, which designated portions of Alaskan Way and associated rights-of-way as Park Boulevard(s) and allowed for the use of park rules on the pedestrian and public spaces. Waterfront Park and Public Spaces Rules are being adopted by the Superintendent concurrently with this legislation.

Finally, this legislation will authorize the Office of the Waterfront and Civic Projects (OWCP) and Seattle Parks and Recreation to negotiate and extend the existing License Agreement with Friends of Waterfront Seattle (Friends).

These actions are consistent with the Waterfront Operations and Management Ordinance (125761), which outlined specific terms for operations and management of Waterfront Park and Public Spaces, and included a two-year license agreement with Friends, to be followed by a long-term management agreement. With the license agreement expiring at the end of 2022, the City and Friends are still jointly developing the long-term management agreement for park operations, taking into consideration lessons learned from the license agreement, feedback from the CWOC, the performance standard, and terms outlined in Ordinance 12576. OWCP, SPR, and Seattle Center will return to council in Q1/Q2 of 2023 for review and approval of the long-term management agreement.

## 2. CAPITAL IMPROVEMENT PROGRAM

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

## 3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget?      \_\_\_ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?  
No.

**Are there financial costs or other impacts of *not* implementing the legislation?**

If the legislation is not implemented, operations will continue to be performed by the Seattle Parks and Recreation Department. Funding for waterfront maintenance and operations is allocated from the Metropolitan Park District (MPD) funds.

### 3.c. Positions

**Position Notes:**

Staffing for the waterfront operations team requires that new positions be created to match the added scope and level of service for the new waterfront park and public spaces. The City Council approved 15 positions in 2023 as part of the 2023 budget process. These will provide

the dedicated waterfront maintenance team necessary to meet the City’s commitments to the quality of maintenance.

Coordination is underway between City Departments on BIPS and PDQs to align decision-making in the city budget process with separate legislation also being considered at Council to delegate authority to Seattle Center for waterfront maintenance and public safety operations. Hiring for these positions will begin in Q1 2023.

2023	
1	Manager3, Parks &Rec
1	StratAdvsr2, Parks &Rec
1	Exec Asst
1	Facility Maint Supv,Asst
3.5	Security Officer
1	Gardener, Sr
1	Installation Maintenance Worker
4	Laborer
1	Management Systems Analyst
0.5	Personnel Specialist II
Total FTE: 15.0	

**4. OTHER IMPLICATIONS**

- a. Does this legislation affect any departments besides the originating department?**  
 This legislation will require collaboration between the Office of the Waterfront and Civic Projects, Seattle Parks and Recreation, and Seattle Center. Other City Departments, such as Seattle Department of Transportation and the Seattle Police Department would need to coordinate around jurisdictional responsibilities on the waterfront.
- b. Is a public hearing required for this legislation?**  
 No
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
 No
- d. Does this legislation affect a piece of property?**  
 This legislation impacts the Waterfront Park and Public Spaces which is generally the publicly owned areas along Alaskan Way from King Street to the south to Pine Street to the north, including Piers 58 and 62. These areas are owned by Seattle Parks and Recreation and Seattle Department of Transportation.

**e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

This legislation supports the provision of improved public spaces along Seattle's Waterfront that encourages use by people of all ages, incomes, and abilities, and supports free expression. The City's ability to provide high-quality management of these spaces is essential to our ability to create welcoming and inclusive programming to serve a diverse public, which is a key goal of the City's work and of its partner organization, Friends of Waterfront Seattle. It also helps to ensure that any employment associated with operating and maintaining Waterfront Park and Public Spaces will provide living-wage jobs to community members, regardless of their age, ethnicity, gender, or sexual orientation.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

This legislation will not materially increase or decrease carbon emissions.

**2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

This legislation will improve the City's ability to respond or adapt to climate change by provided maintenance resources necessary to support waterfront maintenance, including potential changes to landscape, drainage and other systems affected by sea level rise and its effects.

**g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

This legislation fulfills an established commitment made by the City to provide maintenance and other operations services to the new waterfront park and public spaces. It does not include a new initiative or major programmatic expansion.

January 10, 2023

## MEMORANDUM

**To:** Public Assets and Homelessness Committee  
**From:** Eric McConaghy, Analyst  
**Subject:** Waterfront Operations Ordinance – Council Bill 120492

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On January 18, 2023, the Public Assets and Homelessness Committee (Committee) will discuss and possibly vote on [Council Bill \(CB\) 120492](#) that would change how the City operates and maintains the Waterfront Parks and Public Spaces (WPPS) in cooperation with the non-profit Friends of the Waterfront Seattle (Friends).

On January 4, 2023, Marshall Foster, Director, OWCP, Tiffani Melake, Operations and Management Advisor, OWCP and Robert Nellams, Director, SC updated the Committee on Waterfront management and operations. Chair Lewis scheduled the briefing to allow OWCP to brief the Committee in advance of consideration of CB 120492 and related legislation (described below). The January 4 [agenda materials](#) are available online as well as the [video recording](#) of the meeting<sup>1</sup>.

This memorandum lists the key takeaways, provides the background on the legislation, describes the effects upon passage of CB 120492, outlines potential, related legislation and identifies the next steps for CB 120492.

### Key Takeaways

If approved, CB 120492 would:

1. Authorize the Seattle Parks and Recreation (SPR) Superintendent to delegate the authority to operate, maintain, and manage the WPPS to the Seattle Center (SC) Director. The WPPS would remain a part of the SPR system;
2. Authorize the SC Director to adopt, amend, and enforce the WPPS Rules “to help ensure public use, access, and enjoyment, and to ensure the safety and security of the public”;
3. Require the Office of the Waterfront and Civic Projects (OWCP) Director, the SPR Superintendent, and the SC Director to develop a long-term management agreement with Friends that shall provide for the operations, management, public safety, and programming services for the WPPS;
4. Require Council approval by ordinance of the long-term management agreement before execution; and
5. Authorize the SPR Superintendent and OWCP Director to extend the existing Pilot Agreement with Friends, that was first authorized under [ORD 125761](#) (see below), until the authorization of the long-term agreement.

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<sup>1</sup> Begins at 9 minutes, fifty seconds into the meeting – timestamp 9:50.



## Background

In August 2012, Council adopted [Resolution 31399](#) supporting the creation of Friends to advocate for implementing the City's plan for redevelopment of the Central Waterfront with the removal of the Alaskan Way Viaduct. Friends was incorporated as a non-profit in the same year to support the Seattle Waterfront through outreach initiatives, to raise the funds necessary to complete its construction, and to ensure the Central Waterfront Improvement Program's long-term success as a vibrant public park through ongoing maintenance and programming.

In 2015, the City entered into a pilot agreement with Friends for activation of Waterfront park spaces and piers with City financial support. In 2016, [ORD 125089](#) authorized a Memorandum of Agreement between the City and Friends regarding funding for the Pier 62/63 Phase 1 Rebuild, with Friends committing to raise \$8 million for the project, which they did. As authorized by ORD 125761 in 2019, Friends has been programming and managing parks space on the Waterfront under a pilot agreement with the City and has been raising their philanthropic commitment of \$110 million.

CB 120492 directly relies on four ordinances: three that Council approved in 2019 and one in 2021. These four in turn rely on a series of legislative decisions going back more than a decade.

The three ordinances from 2019 are:

1. [ORD 125760](#) – Established the Waterfront Local Improvement District (LID No. 6751)
2. [ORD 125761](#) – Waterfront Funding, Operations and Maintenance (O & M) Ordinance
3. [ORD 125762](#) – Authorized the protest waiver agreement between the City and owners of property within the Waterfront LID boundaries

Please, refer to the detailed discussion of these ordinances provided in the Central Staff memorandum to the Council dated January 18, 2019 (Attachment 1) for additional information.

In 2021, the Council passed [ORD 126444](#) designating portions of roadway and adjacent areas along Seattle's Waterfront previously in SDOT's jurisdiction as Waterfront Boulevard consistent with a requirement of ORD 125761.

## Effects of Proposed CB 120492

### Delegate authority over the WPPS from SPR to SC

Council approved increased appropriation and position authority for Seattle Center intended for management and operation of the WPPS as part of the 2023 Adopted and 2024 Endorsed Budgets. This decision anticipated subsequent legislation, before Council now, to authorize the transfer of responsibility for the WPPS from SPR to SC.

The 2023 Adopted Budget includes an increase of \$3.5 million of Metropolitan Park District (MPD) funds 10.0 full-time equivalent positions (FTE) and the 2024 Endorsed Budget includes \$4.3 million in MPD funds and 15.0 FTE to SC for WPPS-related work. The Adopted Budget includes a new operating Budget Summary Level for the Waterfront (CEN - BO-SC-61000 – Waterfront) to manage the Seattle Center’s proposed, new responsibility for maintenance, management, and rule enforcement responsibilities for the WPPS.

CB 120492 defines the WPPS to include the Habitat Bench, the Washington Street Boat Landing, Pier 58, Pier 62, and the Waterfront Park Boulevard, illustrated in [Attachment A to CB 120492](#). Portions of Alaskan Way, Elliott Way, Railroad Way South, and Union Street were designated “Waterfront Park Boulevards” via ORD 126444. Under the designation, SPR has jurisdiction for the waterfront promenade, planting areas, and the eastern sidewalk while Seattle Department of Transportation has jurisdiction of the roadway for motorized vehicles, as well as the adjacent cycle track and western sidewalk. Those Waterfront Park Boulevard areas under the jurisdiction of SPR would all be managed by SC under the proposed arrangement for the WPPS.

### The WPPS Rules

During the discussion on January 4, the Committee asked OWCP and SC staff to describe the WPPS Rules that SC would be authorized to enforce as provided in CB 120492. OWCP staff explained that the rule-making process for the WPPS has been under way for more than nine months and that OWCP has been working in collaboration with SC, SPR, and the Central Waterfront Oversight Committee (CWOC) to develop the rules.

The City created the CWOC with the passage of ORD 125761 (see below) to “advise and provide feedback to the City and Operating Partner (Friends) on the operations and maintenance and safety and security of the (WPPS) that shall include maintenance, public safety, outreach, communications, partnerships, and programming and activation.”

CB 120429 would keep the CWOC central to rulemaking for the WPPS by requiring the SC Director to consult with the CWOC before proposing any modifications or new Rules for public comment.

OWCP staff described the draft WPPS Rules are based on the rules of conduct for Seattle Center’s campus with exceptions particular to the unique characteristics of the Waterfront including wheeled access, vehicle access, fishing, swimming and diving, and watercraft.

The Committee requested a written copy of the draft WPPS Rules from OWCP staff during the January 4 meeting. The draft WPPS Rules as presented to the CWOC on November 10, 2022 meeting are [available online](#).

Additionally, the Committee asked OWCP and SC to provide statistics describing the incidence of exclusions at SC. At the time of writing this memorandum, OWCP had not transmitted the reply to this request.

### Long-Term Agreement

OWCP reports that the parties have been working on the long-term management agreement and that the Mayor could transmit the relevant legislation in the first quarter. CB 120492 would require that the long-term management agreement be consistent with the terms outlined in [Attachment C](#) (the operations and maintenance term sheet) to Ordinance 125761.

### **Related Legislation**

The Mayor has transmitted related legislation that would authorize the acceptance of funding from Friends “for the purpose of supporting public safety funding for Waterfront Park and Public Spaces.” The proposed ordinance would increase appropriation in the SC Waterfront BSL by \$596,000 upon execution of a funding agreement with Friends (not transmitted, yet) and receipt of the funds. The same ordinance would create 11.0 FTE new security officer positions in SC and convert one part-time FTE to full-time. These positions would be in addition to the 3.5 new FTEs included in the 2023 Adopted Budget.

### **Next Steps**

Council could consider and take final action on CB 120492 as soon as January 24, 2023, if the Committee votes on a recommendation to Council on January 18, 2023.

### **Attachment:**

1. Central Staff Memorandum to the Council regarding the Waterfront Local Improvement District Legislative Package, January 18, 2019

cc: Esther Handy, Director  
Aly Pennucci, Deputy Director  
Brian Goodnight, Supervising Analyst



January 18, 2019

## M E M O R A N D U M

**To:** Seattle City Council  
**From:** Eric McConaghy and Traci Ratzliff, Central Staff Analysts  
**Subject:** Waterfront Local Improvement District Legislative Package

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On January 16 the Civic Development, Public Assets and Native Communities Committee (Committee) received a briefing from the Office of the Waterfront and Civic Projects, Department of Parks and Recreation and representatives from the Friends of the Waterfront on a package of legislation related to Seattle's Central Waterfront. The [agenda, draft legislation and presentation materials](#) and the [video recording](#) of this briefing and the ensuing discussion are available online.

On January 24 the Committee is scheduled to discuss and vote on the legislation package that, if adopted, would (1) form the Waterfront Local Improvement District (LID) to fund the specific aspects of Central Waterfront Improvement Program; (2) approve a protest waiver agreement between the City and LID property owners; and (3) commit Friends of the Waterfront Seattle (FOWS) to raise additional funds for capital costs, authorize a partnership between the City and FOWS for the ongoing operations, maintenance, safety and security of the Waterfront park and public spaces, and establish a new Central Waterfront Oversight Committee.

This memo provides context and background for the LID as part of the overall Central Waterfront Improvement Program. It describes the key provisions included in each of the proposed ordinances.

### I. Context and Background

The Central Waterfront Improvement Program refers to a collection of projects that deliver on the Concept Design and Framework Plan for the Central Waterfront as adopted by the City in 2012 via [Resolution 31399](#). The projects that make up the Central Waterfront Improvement Program are included in the budgets of three City departments:

Seattle Department of Transportation (SDOT)

- Alaskan Way Main Corridor project and
- Overlook Walk and East/West Connections

Department of Parks and Recreation

- Parks Central Waterfront Piers Rehabilitation and
- Aquarium Expansion

Department of Finance and Administrative Services

- Pike Place Market PC-1 North Waterfront Entrance Project and
- Local Improvement District Administration

The total estimated cost of the projects in the Central Waterfront Improvement Program is over \$700 million. The projects known together as the Waterfront LID Improvements are a portion of the complete Central Waterfront Improvement Program. The Waterfront LID Improvements are identified specifically in Attachment A of the ordinance. The complete list is shown in Table 1: Waterfront LID Improvements, below.

**Table 1: Waterfront LID Improvements:**

<b>Element</b>	<b>Description</b>
Promenade	A continuous public open space extending along the west side of Alaskan Way from King Street to Pine Street.
Overlook Walk	An elevated pedestrian bridge situated at the terminus of the Pike/Pine corridor, would include several buildings, an elevated lid over the surface street, open space with excellent view amenities, and an accessible pedestrian pathway with many connections between the Pike Place Market and the waterfront.
Pioneer Square Street Improvements	Streetscape and new roadway/ sidewalk improvements to portions of S Main Street, S Washington Street, Yesler Way and S King Street from Alaskan Way/First Avenue east to 2nd Avenue S. The improvements would create pedestrian-friendly links from Pioneer Square to the waterfront.
Union Street Pedestrian Connection	A universally accessible pedestrian link between the new waterfront and Western Avenue. An elevated pedestrian walkway and elevator would extend from the southwest corner of Union Street and Western Avenue to the eastern side of Alaskan Way.
Pike/Pine Streetscape Improvements	Pedestrian improvements along Pike and Pine streets from First Avenue to Ninth Avenue, providing enhanced pedestrian access to and from the Pike Place Market and waterfront.
Waterfront Park	A rebuilt pier park located at the base of Union Street, would provide a unique atmosphere for social gathering/performance spaces with excellent view amenities.

The total estimated cost of the Waterfront LID Improvements is approximately \$347 million, including the planning, design, and construction, together with administration costs of the LID and financing costs. The proposed ordinance would authorize a LID to pay for a portion of the total estimated cost by assessing properties according to the special benefits from the construction of the Waterfront LID Improvements.

## II. Legislative Package

This section highlights key elements included in each of three pieces of legislation that are before the Committee.

### A. Waterfront LID Formation:

[Council Bill \(C.B.\) 119447](#) (the “LID formation ordinance”) would officially form the Waterfront LID as part of the legislative requirements under Washington State law. If established, Local Improvement District No. 6751 would assess property in the area determined to have special benefits from the Waterfront LID Improvements.

The total assessment of the Waterfront LID would be limited to \$160 million, plus financing and administrative costs. The formation was called for in the Intent to Form Resolution ([Resolution 31812](#)) adopted in May 2018. In Resolution 31812, the expected limit on the LID assessment was set at \$200 million.

The LID formation ordinance does not specifically address the \$40 million difference between the limit set in the resolution and the limit set in the proposed LID formation ordinance. It does state at Section 5 that the “balance of the cost and expense of the LID Improvements shall be paid from other amounts available to the City, including philanthropic donations...”

As shown in Table 2, the Executive plans to address what is effectively an increase of \$40 million in the unfunded balance of the Waterfront LID Improvements with a \$5 million reduction in project scope, an increase of \$25 million in other (non-LID) City funding and an increase of \$10 million in philanthropic contributions from FOWS.

The Waterfront funding, operations and maintenance (O&M) ordinance, described separately below, would commit FOWS to secure \$110 million in philanthropic donations towards the capital costs of the Waterfront LID Improvements. This reflects an increase of \$10 million above the previous commitment by the FOWS of \$100 million.

The package of legislation before the Committee does not include the formal steps required to change the anticipated City funding sources (\$25 million) nor to reduce the project scope by (\$5 million). The Executive has updated its plan with new amounts for estimated costs, public resources, and philanthropic resources and briefed the Committee on January 16 regarding the updated plan. However, these appropriation and revenue changes are not currently reflected in the most recent adopted budget or capital improvement plan (CIP).

If the LID formation ordinance and the other, related ordinances in the LID legislative package are approved, then the Executive has committed to prepare and transmit supplemental budget legislation during 2019 to amend the City’s adopted budget and Capital Improvement Program (CIP). These changes are described in Table 2, Plan for Other City Funding:

**Table 2: Plan for Other City Funding**

Description	Amounts
Reduction in Waterfront LID Proceeds	(\$40 million)
Additional Limited Tax General Obligation (LTGO) bonds in 2022 and 2023, debt service to be funded by the 2.5% Commercial Parking Tax enacted for Viaduct and Seawall reconstruction	\$7 million
Seattle Park District funds dedicated to maintenance of the Waterfront parks and public spaces are reprogrammed in 2021 and 2022	\$8 million
Additional use of unprogrammed Real Estate Excise Tax (REET) funds in 2021, 2022, and 2023	\$10 million
Net reduction to be addressed through future scope adjustments to the Waterfront LID Improvements	(\$5 million)

The scope reduction amounting to \$5 million in savings anticipated by the Executive would be subject to future input as part of the terms of the Waterfront LID Agreement (see below).

**B. Protest Waiver Agreement Ordinance:**

[C.B. 119449](#) would approve the protest agreement (“Waterfront LID Agreement”) and authorize the Directors of the Office of the Waterfront and Civic Projects and Department of Parks and Recreation to execute the protest waiver agreement between the City and LID property owners. Should the agreement be executed, property owners will waive both their ability to protest the formation of the LID and to participate in any legal challenge to the formation.

As a part of the LID formation process, property owners in the proposed LID can submit a formal protest to forming the LID. In the event the City Council passes the ordinance to officially form the LID, the last day to file a written protest to LID formation will be 30 days after the passage of that ordinance.

If, by the end of the protest period, affected property owners representing 60 percent of the assessed value of the LID have signed and submitted a written protest, the City would lose its jurisdictional authority to create the LID.

The terms of the protest agreement state that it shall be effect upon all signers of the agreement upon the effective date of the ordinances in the LID legislative package and upon the execution of the agreement by property owners representing not less than 51 percent of the maximum LID assessment. Also, the agreement requires that if all these conditions are not satisfied by March 1, 2019, then the protest agreement shall automatically terminate.

The protest waiver agreement would effectively nullify the formal protest challenge to the LID and prevent participation by the signers in a legal challenge in court. However, the property owners executing the protest agreement would retain their ability to challenge the amounts of the final assessment of their property in the LID final assessment roll. The approval of the final assessment roll would be the final legislative action of the LID and would be anticipated in the early months of 2020.

In return, the City has agreed to reduce the proposed LID from \$200 million to \$160 million and waive its right to pursue a supplemental assessment in future years. In addition, the City would commit to approve the Central Waterfront Funding, Operations and Maintenance Ordinance and implement its terms (below).

Also, the City would commit “to engage communities throughout the city in refining the design, and as part of this shall convene a representative group of owners of commercial properties located within the boundaries of the LID to advise the Office of the Waterfront...” on components of the Waterfront LID improvements.

The agreement designates a new non-profit, the Waterfront Park Conservancy, as the exclusive agent for property owners in enforcing the agreement with the City; individual property owners would not be able to bring individual action or claims against the City regarding the LID formation. The term of the agreement would be 20 years.

C. Waterfront Funding, Operations and Maintenance (O & M) Ordinance:

[C.B. 119448](#) states Friends of the Waterfront Seattle (FOWS) is committed to raise funds for the capital costs of the Waterfront parks and public spaces. In addition, the Executive would be authorized to execute an agreement with FOWS that addresses operations, management and programming of these parks and public spaces. Finally, C.B. 119448 establishes a new Central Waterfront Oversight Committee. This section describes the specific commitments included in this ordinance.

*1. Funding*

FOWS would commit to raising \$110 million towards the City’s costs of constructing the Central Waterfront parks and public spaces. As noted earlier, this is a \$10 million increase over previous expectations. FOWS would be required to submit a Fundraising Plan by March 31, 2019 to the City Budget Director for review and approval. The legislation includes a schedule that lays out amounts and dates for the \$110 million contribution.

*2. Pilot agreement*

C.B. 119448 would authorize the Directors of the Office of the Waterfront and Civic Projects (OWCP), Department of Parks and Recreation (DPR), and Seattle Department of Transportation (SDOT) to execute a two-year pilot agreement with FOWS to govern the operations,



management, and programming services for the completed Pier 62 that may include portions of Waterfront Park. At a minimum, this agreement will include the requirements outlined in the Term Sheet attached to the ordinance (see Attachment 1). The pilot agreement is expected to last no longer than two years, and the pilot agreement will inform the terms of an anticipated long-term agreement as described below.

In addition, the pilot agreement must be consistent with the Central Waterfront Guiding Principles outlined in the ordinance. The pilot agreement must be reviewed by the City Council prior to execution, but this is for information only. The City would commit to provide \$310,000 in 2019 and \$315,250 in 2020 to support DPR's maintenance costs associated with the two-year pilot agreement.

DPR would retain responsibility for regulating and permitting free speech activities and events at the Waterfront parks and public spaces.

FOWS would be authorized to conduct the permitting of non-First Amendment events. Fees generated from such events would be used for programming and activation in the areas covered by the agreement.

The pilot agreement would require FOWS to provide an annual report on outcomes, measurements, and assessments of activation and programming services provided, including but not limited to: a summary of programs and activities; detailed revenue, costs and expenditures and budgetary forecasts; participation by underserved communities; community feedback; data on participation in events and activities; intended targets and actual outcomes for Women- and Minority-Owned Business Enterprises (WMBE) contracts, vendors and concessions; a summary of implementation of labor harmony protocols described in the Term Sheet.

### *3. Long-term agreement*

A long-term management agreement covering the Waterfront parks and public spaces, would be developed at the end of the two-year pilot. The City Council would review and consider approving a future ordinance authorizing this long-term agreement. The two-year pilot agreement would help inform the development of this agreement.

C.B. 119448 includes a stated commitment, beginning in 2023, for the City to provide \$4.8 million (inflated annually by 2.5 percent) to fund the long-term operations, maintenance, safety and security costs for the completed Waterfront parks and public spaces. Sources of these funds could include: Seattle Park District (\$4.2 million), DPR/General Fund (\$100,000), and Commercial Parking Taxes (\$500,000). Annual funding would be subject to City Council budget approval. FOWS would be responsible to fund programming, events and activities. In the event of a significant economic downturn (defined in the bill), reductions in the City contribution would be permitted.

#### 4. Oversight Committee

C.B. 119448 would establish a 19-person Central Waterfront Oversight (CWO) Committee. Members would be appointed by the Mayor and City Council. Directors of SDOT, OWCP, and DPR as well as the Seattle Police Department Chief of Police would sit as ex-officio members of this committee. The CWO Committee members would represent those from within the LID assessment area (13 positions) as well as city-wide (6 positions). The city-wide members would include individuals with expertise and perspectives from labor, environmental, and the broader Seattle community as represented by Council Districts. The City will explore providing on-site childcare and a transit subsidy to members of the CWO Committee.

The CWO Committee would advise and provide feedback to the City and FOWS on the operations and maintenance and safety and security of the Waterfront parks and public spaces. The CWO Committee would also review and provide input on the long-term management agreement between the City and FOWS. Additional responsibilities of the CWO Committee are outlined in the ordinance.

OWCP, FOWS, and DPR would work with the CWO Committee to develop a detailed set of performance metrics referred to as the “Performance Standard” to be included in the long-term management agreement. The Performance Standard would be used to evaluate the annual performance of DPR and the FOWS. Performance metrics will include:

- accessibility and use of by communities across the city;
- cleanliness, safety, and repair of assets;
- public safety and security indicators;
- social service outreach training and relationships;
- relationships with third-party stakeholders including community and neighborhood organizations;
- provision of public benefits by FOWS; and
- Other metrics.

The Performance Standard would be comprehensively reviewed every five years and updated, as appropriate. DPR and FOWS would coordinate an annual reporting process in which each entity reports on performance of their respective responsibilities for operations and maintenance and safety and security of the Waterfront parks and public spaces. An annual evaluation will also be provided to the public.

Beginning in 2020, the CWO Committee would provide an annual report to the Mayor and City Council to provide information on the operations and maintenance and safety and security of the Waterfront parks and public spaces that would inform the City annual budgeting process.

#### **Attachments:**

1. Central Waterfront Operations & Maintenance (O&M) Term Sheet

cc: Kirstan Arestad, Central Staff Director  
Dan Eder, Deputy Director

## **Attachment 1 – Central Waterfront Operations & Maintenance (O & M) Term Sheet**

The following draft term sheet includes, but is not limited to, terms and conditions by the City and Friends that shall be incorporated in the Pilot Agreement and future Management Agreement for the Waterfront Park and Public Spaces, as identified in Attachment E. The Pilot Agreement shall cover the operations and maintenance (O&M) of Pier 62 and may also include portions of Waterfront Park where Friends currently provides summer programming. The Management Agreement shall cover the O&M of the Waterfront Park and Public Spaces and shall be approved by City Council. Where scope in the Pilot Agreement is determined by both parties to be of such a nature that dedicated staff members are not required by either party as described below due to the limited geography covered in the Pilot Agreement, both parties shall agree upon an appropriate FTE allocation.

### **Friends of Waterfront Seattle**

1. Friends shall provide services necessary to carry out cultural, recreational and educational programming in the park and shall generally ensure free, open and public access to the Waterfront Park and Public Spaces. Friends shall be allowed to host a specified number of fundraising and ticketed events to provide revenue generation which shall support free public programming and operations of the Waterfront Park and Public Spaces.
2. Friends shall manage permitting and scheduling of activation, programming, concessions and vending, and events for those parks and public spaces covered by the agreement, excluding First Amendment expressive activities.
3. Friends shall provide, either through in-house or contracted staff, sufficient personnel and general staffing necessary to promote and support the effective operation of all programs and events, including:
  - a. Operations
  - b. Hospitality
  - c. Concessions
  - d. Safety and Outreach
  - e. Event and Permitting Coordination for non-First Amendment expressive activities
4. Any in-house or contracting procured for the activities described in subsection 3 above that are funded from the Seattle Park District or any other City resource shall include provisions for area standard wages and benefits and shall also include labor harmony protocols. These requirements shall also apply to any promoter of any ticketed event requiring a Special Event Permit from the City's Special Events Committee.
5. Friends and the City shall develop an operating budget which includes public funding and private funding raised by Friends. All proceeds derived from revenue generation within the area governed by the agreement shall be applied towards programming and activation

in that same area, and/or to fund O&M requests to City departments that would be additional to defined base level of O&M scope.

6. Recognizing the Waterfront Park and Public Spaces shall have a unique branding and visual identity, Friends shall create a Communications & Style Guide for the Waterfront Park and Public Spaces, subject to City input and approval, which shall be co-branded Friends and the City.
7. Friends shall have the ability to organize and lead volunteer programs, including maintenance, in coordination with DPR and subject to City labor requirements that are consistent with other City parks.
8. Notwithstanding the benefits naturally occurring in public parks, Friends shall commit to a series of public benefits that shall:
  - a. Ensure programming and activation is representative of and directed towards underserved communities and that such programming and activation is actively marketed to underserved communities with free or reduced cost access provided to such communities.
  - b. Assure recruitment of underserved communities for concession and other vending opportunities
9. Friends, in consultation with DPR and the Oversight Committee, shall conduct an annual O&M planning process no later than September 15 of each year for the succeeding year. Such process shall include a comprehensive programming and activation plan and budget and shall specify how the spaces covered by the agreement will be operated and maintained in a manner consistent with the Performance Standard defined in Section 5 of this ordinance.
10. Friends, in consultation with DPR and the Oversight Committee, shall coordinate an annual reporting process based on the Performance Standard metrics under which Friends shall report on the performance of their responsibilities for programming and activation of the spaces covered by the agreement. Such reports shall include such data as Friends may reasonably determine necessary and appropriate for evaluating their performance under the applicable annual plans and the agreement. For the Pilot Agreement, these reports will include, but are not limited to:
  - a. A summary of programs and activities;
  - b. Detailed revenue costs and expenditures, and budgetary forecasts;
  - c. Participation by underserved communities;
  - d. Community surveys or other feedback tools, and measurements to indicate the levels of participation in events and activities; and
  - e. An assessment of set aspirational targets for Women- and Minority-Owned Business Enterprises (WMBE) contracts, vendors, and concessions, as well as actual outcomes regarding those targets.

This report shall be reviewed by the Oversight Committee prior to submission to the City, who shall provide recommendations on annual spending allocations based on the prior year's performance. This feedback shall accompany the annual report and be presented jointly with City and Friends' leadership to the City Council each year.

11. Friends shall have a reasonable right of termination as recourse if there is significant and lasting breach of the terms of the agreement by the other party. This right shall be subject to a cure period during which time the City shall make a good faith effort to resolve the identified issues.

#### City of Seattle

1. The City, generally through DPR or other departments as designated by the City, shall regulate the permitting of, and maintain responsibility for, all First Amendment expressive activities and events, in accordance with applicable City rules and regulations.
2. The Pilot Agreement shall include funding from the Seattle Park District of \$310,000 in 2019 and \$315,250 in 2020 to support maintenance services for waterfront spaces that DPR is responsible for providing. Recommended levels of maintenance services shall be informed by task hour summaries prepared by ETM Consultants in 2018 and the Performance Standard.
3. It is anticipated that funding for the Management Agreement will come from Seattle Park District funds, the DPR operations and maintenance budget that had been previously allocated to Pier 62 and Waterfront Park, the City's general fund support and commercial parking taxes and shall be sufficient to provide a high-quality, consistent level of maintenance and safety and security. Based on the ETM Report, the City has determined that, as of 2023 when the Waterfront Park and Public Spaces are completed, baseline funding in the amount of \$4.8 million will be needed for operation and maintenance and safety and security of the Waterfront Park and Public Spaces.
4. DPR shall create a dedicated team of maintenance staff who shall be responsible for amenities located in the Waterfront Park and Public Spaces. The initial scope of the Pilot Agreement shall be Pier 62; the scope of the future Management Agreement shall be the Waterfront Park and Public Spaces as shown in Attachment E.
  - a. DPR and Friends shall agree upon protocols for Friends to provide input into the qualifications and skill necessary for selection of DPR dedicated staff.
  - b. DPR and Friends shall agree upon protocols for Friends to request work changes and establish clear communication and work coordination channels that allows for timely response and follow through.
  - c. SDOT shall maintain maintenance responsibilities for right of way infrastructure, including but not limited to the roadway, sidewalks, dedicated bike path, signals, and lighting.

- d. Other City departments, such as Seattle Public Utilities, shall maintain responsibility for their assets unless they reach an agreement with either Friends or another City department to provide those services.
  - e. Any services above baseline funding for routine or emergency maintenance on city-owned property shall be purchased from DPR and shall not be performed by Friends or any contractor or sub-contractor. However, Friends shall have the right to provide non-mechanical limited maintenance of any furnishings, temporary installations or equipment to support programming and activities, if necessary.
5. DPR, in consultation with Friends and the Oversight Committee, shall conduct an annual operation and maintenance planning process no later than September 15 of each year for the succeeding year. Such process shall include (a) a comprehensive prospective annual operating and routine maintenance plan and budget; and (b) identification of priority capital replacement investment needs aligned with the City's budget process such that relevant aspects of the plan may be reflected in the budget proposals of the respective City departments. The process shall also include an updated ten-year rolling capital replacement and investment plan reflective of the ETM Report, relevant experience and any comprehensive reviews of the Performance Standard. The plans shall specify how the Waterfront Park and Public Spaces will be operated and maintained in a manner consistent with the Performance Standard.
  6. DPR, in consultation with Friends and the Oversight Committee, shall coordinate an annual reporting process based on the Performance Standard metrics under which DPR shall report on their performance of their respective responsibilities for operation, management and maintenance of the Waterfront Park and Public Spaces. DPR's reporting shall take the form of the existing Park Inspection Program. Such reports shall include such data as DPR may reasonably determine necessary and appropriate for evaluating its performance under the applicable annual plans of either the Pilot Agreement or future Management Agreement.
  7. The City shall have a reasonable right of termination as recourse if there is significant and lasting breach of the terms of the agreement by the other party. This right shall be subject to a cure period during which time Friends shall make good faith effort to resolve the identified issues.



## **CENTRAL WATERFRONT MANAGEMENT AND OPERATIONS**

January 4<sup>th</sup>, 2023

# LEGISLATIVE HISTORY FOR PARK OPERATIONS



Ordinance/Resolution	Date	Description
Ordinance 123142	November 2009	Establishes Central Waterfront Partnerships Committee to advise City; large scale community engagement on design begins
Resolution 31264	January 2011	Endorses Central Waterfront Guiding Principles; creates Central Waterfront Committee
Resolution 31399	August 2012	Resolution 31399 endorses Waterfront Concept Design and Strategic Plan, establishing funding plan, including LID and philanthropy
		Friends of Waterfront Seattle incorporated as non-profit organization
Resolution 31768	September 2017	<b>Stated intent to enter into an agreement with Friends for the long-term provision of high-quality operations and management services commensurate with Central Waterfront Improvement Program</b>



# LEGISLATIVE HISTORY FOR PARK OPERATIONS



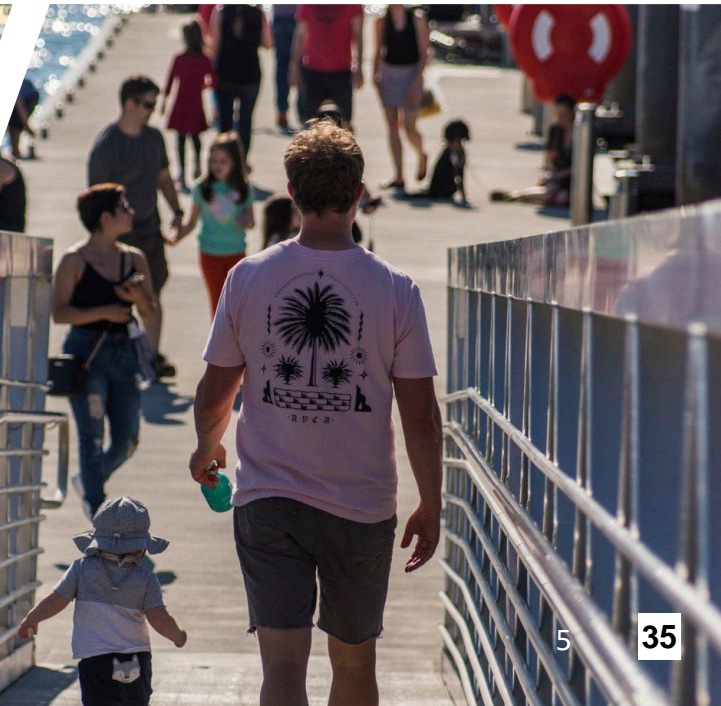
Ordinance/Resolution	Date	Description
Ordinance 125760	January 2019	Establishes the \$160M Local Improvement District (LID)
Ordinance 125761		<b>Approves the O&amp;M Ordinance, created the Central Waterfront Oversight Committee and authorizes two-year pilot agreement for Pier 62 and established framework for long term management agreement with Friends of Waterfront Seattle</b>
Ordinance 125762		Contractual agreement with property owners to waive the LID protest in exchange for the <b>City committing to a set standard of maintenance, programming and public safety;</b> designating park boulevards
Ordinance 126444	September 2021	Portions of the waterfront are designated as Waterfront Park Boulevards

# OPERATING PARTNERSHIP

## PILOT AGREEMENT AT PIER 62

- Friends responsible for social services, special events, programming, and activation
- City responsible for daily and preventative maintenance
- Joint responsibility for public safety





# SHIFT TO SEATTLE CENTER FOR OPERATIONS



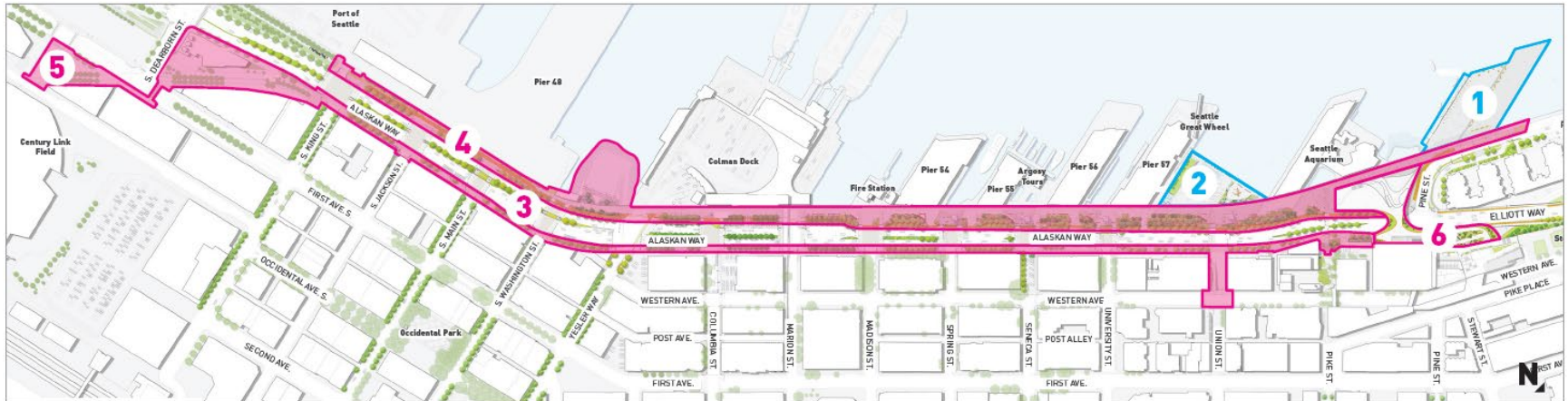
- Culture built around high-level operations and management of park
- Full time dedicated staff team that can deliver a high quality and inclusive park experience
- Recommended by the Central Waterfront Oversight Committee in their 2021 annual report to Mayor/Council



# OVERVIEW OF PROPOSED ORDINANCE



- Delegates Waterfront operations and management to Seattle Center
- Delegates authority to Seattle Center Director to enforce Waterfront Park rules
- Extends the current License Agreement with Friends on Pier 62 Park operations



● Current park ● Park boulevard

## PILOT AGREEMENT (2020 - 2022)

- 1 Pier 62 and Floating Dock**  
Rebuilt to once again support free public concerts and events, as well as allow new access for small boats.

## MANAGEMENT AGREEMENT (2023)

- 1 Pier 62 and Floating Dock**
- 2 Pier 58/Waterfront Park**  
Rebuilt park with an urban plaza and a children’s playground.
- 3 Alaskan Way East and Union Street**  
Widened sidewalk, landscaping and green stormwater features. A new pedestrian bridge and elevator at Union Street will connect Western Avenue to Waterfront Park.
- 4 Park Promenade**  
A new linear park with walkways, lighting, landscaping, seating and green stormwater features. In Elliott Bay, new underwater habitat improvements will help restore the native intertidal habitat. A new two-way protected bike lane will run adjacent to the roadway. Vending will be hosted at four wayfinding kiosks and at the restored Washington Street Boat Landing Pergola. There will be two standalone public rest rooms.
- 5 Railroad Way**  
A pedestrian gateway linking the waterfront to Pioneer Square and the stadiums. Railroad Way will encourage new circulation and activities throughout the year and on game days at CenturyLink Field and Safeco Field.

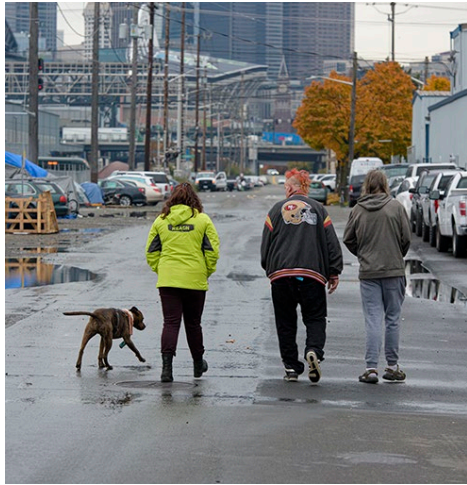
- 6 Overlook Walk**  
A new, accessible connection between Pike Place Market and the waterfront. It will take pedestrians over the new Alaskan Way without crossing the street and will include seating, informal play areas and views.



# PUBLIC SAFETY TIERED RESPONSE

<b>Tier 1</b>	Social Services	Outreach to assist visitors in need of support resources. This is currently provided by REACH, under contract to Friends.
<b>Tier 2</b>	Park Ambassadors	Customer-focused staff wearing Friends' branded clothing/uniform. Provides information, directions, verbal reminders re: rules. Friends' front-line team to ensure a positive visitor experience. Reports issues to enforcement and maintenance teams as needed.
<b>Tier 3</b>	Basic Park Rules Enforcement	City staff that can enforce Waterfront Park Rules
<b>Tier 4</b>	Criminal Enforcement	SPD response to criminal activity or life-threatening situations.

## TIER 1 Social Services



REACH's work begins by forging trust between clients and their team members. These relationships are the key to REACH'S work.

It may take time for people to be ready for services like shelter, mental health care, or substance use disorder treatment, so REACH meets people where they are and work with them to meet the goals that they define.

Friends contracts with REACH to provide services along the waterfront.

## TIER 2 Park Ambassadors



Park Ambassadors will be Friends staff that are uniformed and approachable to assist with park operations.

They can remind the public of park rules but do not enforce.

## TIER 3 Basic Park Rule Enforcement



Seattle Center is committed to creating and maintaining a safe and welcoming environment for all. They have a team of public safety personnel with a 24/7 presence.

The waterfront will be hiring a dedicated public safety team as an extension of Seattle Center's team to enforce park rules, as needed.



# LONG-TERM MANAGEMENT AGREEMENT

- 6-year agreement aligning with MPD cycle and SC/SPR agreement
- Expands to Waterfront Park in phases
- Includes lessons learned from pilot agreement
- Integrates Performance Standard



# KEY NEXT STEPS

ACTION ITEM	TIMELINE
LEGISLATION <ul style="list-style-type: none"> <li>• DELEGATION AUTHORITY</li> <li>• POSITION AUTHORITY</li> </ul>	JANUARY 2023
MANAGEMENT AGREEMENT <ul style="list-style-type: none"> <li>• LEGISLATION</li> </ul>	JANUARY-MARCH 2023
HIRING	JANUARY- JUNE 2023



Legislation Text

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**File #:** CB 120496, **Version:** 1

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**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

AN ORDINANCE relating to the Seattle Waterfront Park; authorizing the Director of Seattle Center to accept non-City funds; amending Ordinance 126725, which adopted the 2023 Budget; and creating new positions at Seattle Center.

WHEREAS, in 2013, the City established the Waterfront Seattle Program, a series of capital improvements based on the Central Waterfront Concept Plan; the program is a \$756 million investment supported by a funding partnership including a \$160 million Local Improvement District and a \$110 million philanthropic contribution; and

WHEREAS, throughout the design, planning, and construction of the Central Waterfront improvements, the City and the community have prioritized the need to identify and fund operations, maintenance, and a public safety program that protects and enhances this investment and ensures new public spaces will be safe, well-maintained, and inviting to the public over the long term; and

WHEREAS, in August 2014, Seattle voters approved creation of the Seattle Park District and funds collected by the District pay for operations and maintenance of Seattle parks, including an annual budget dedicated to operations and maintenance of the Central Waterfront Parks and Public Spaces; and

WHEREAS, in September 2017, the City Council adopted Resolution 31768, which signaled the City's intent to work with Friends of Waterfront Seattle ("Friends") to reach an agreement for the long-term provision of high-quality operations and management services commensurate with the quality of programming envisioned in the public planning for the waterfront, and as reflected in the improvements included in the Central Waterfront Improvement Program; and

WHEREAS, in December 2019, the City Council passed Ordinance 125761, which authorized a two-year pilot agreement between Friends and the City for park operations at Pier 62, which included joint responsibility for public safety and allowed for Friends to provide 24/7 contracted security with limitations to Park Rule enforcement; and

WHEREAS, the same ordinance established the Central Waterfront Oversight Committee (“CWOC”), to serve in an advisory role to provide feedback to the City and Operating Partner on the operations, maintenance, and public safety of the Waterfront Park; and

WHEREAS, in 2020 the CWOC conducted extensive research of national peer parks operations, maintenance, and public safety models in their development of the Waterfront Performance Standard, which is the primary tool to evaluate and measure success of Waterfront Park; and

WHEREAS, in its 2021 Annual Report the CWOC recommended that the City consider transferring operations, maintenance, and public safety to the Seattle Center Department and that the City dedicate resources to public safety on the waterfront; and

WHEREAS, in the Seattle Park District renewal cycle, the Seattle Park District Board approved and dedicated \$5,095,757 in funding from the growth rate in the 2023-2028 Park District cycle starting in 2025 for waterfront maintenance, operations and public safety; and

WHEREAS, hiring of the dedicated waterfront public safety team will start in 2023 and ramp up through 2025 when the park is open in its entirety; and

WHEREAS, the waterfront maintenance Park District funds will not be fully spent in 2023 due to the ramp up of maintenance activities, the underspend will be applied to public safety hiring in 2023 and 2024 prior to the dedicated Park District safety funding in 2025; and

WHEREAS, Friends is committed to supporting and providing additional funding to the City for public safety and will make an annual contribution to the City between 2023-2028 to support funding for City waterfront public safety positions; and

WHEREAS, the City and Friends are entering into a long-term management agreement for Waterfront Park operations, maintenance and public safety; and

WHEREAS, Friends will continue to fund its contracted public safety staff in 2023 until the City has hired and trained City public safety employees, which is anticipated to be approximately June 2023; and

WHEREAS, once the City's public safety team is hired and trained, Friends will end its 24/7 contracted public safety team; and

WHEREAS, Friends funding that was budgeted for 2023 that is underspend on its 24/7 contract will be granted to the City to financially support the City public safety positions; and

WHEREAS, the Friends amount of \$945,000 that was budgeted for the 24/7 public safety team will be allocated to the City in 2024 for financial support for the City public safety positions; and

WHEREAS, it is anticipated that Friends will contribute \$1,000,000 annually in years 2025-2028 to augment the city's public safety funding model; and

WHEREAS, the Seattle Parks and Recreation Superintendent is delegating authority to operate, maintain, and manage Waterfront Park and Public Spaces to the Seattle Center Director from 2023-2028; NOW,

THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The Director of Seattle Center or designee is authorized to accept non-City funding from Friends of Waterfront Seattle, consistent with the funding commitment attached to this ordinance as Attachment A, for the purpose of supporting public safety funding for Waterfront Park and Public Spaces. The funds, when received, shall be deposited into the Seattle Center Fund (11410).

Section 2. Contingent upon the execution of the funding agreement and receipt of the funds authorized in Section 1 of this ordinance, the appropriations for the following items in the 2023 Budget are increased as follows:

Item	Department	Fund	Budget Summary Level/BCL Code	Amount
2.1	Seattle Center	Seattle Center Fund (11410)	Waterfront (11410-BO-SC-61000)	\$596,250
<b>Total</b>				<b>\$596,250</b>

Section 3. The following positions are created in Seattle Center:

Item	Department	Position Title	Position Status	Number
3.1	Seattle Center	Security Officer (50540)	Full-time	8.0
3.2	Seattle Center	Security Officer, Senior (50541)	Full-time	3.0
<b>Total</b>				<b>11.0</b>

The Director of Seattle Center is authorized to fill these positions subject to Seattle Municipal Code Title 4, The City’s Personnel Rules, Civil Service rules, and applicable employment laws.

Section 4. The following positions are increased from part-time status to full-time status in Seattle Center:

Item	Department	Position Title	Position Status	Number
4.1	Seattle Center	Security Officer (50540)	Full-time	1.0
<b>Total</b>				<b>1.0</b>

Section 5. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2023, and signed by me in open session in authentication of its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
 President \_\_\_\_\_ of the City Council

Approved / returned unsigned / vetoed this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

---

Bruce A. Harrell, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

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Elizabeth M. Adkisson, Interim City Clerk

(Seal)

**Attachments:**

Attachment A - Friends of the Waterfront Funding Commitment Letter



November 3, 2022

Tiffani Melake, Waterfront Operations and Management Advisor  
City of Seattle | Office of the Waterfront and Civic Projects  
tiffani.melake@seattle.gov

Tiffani,

This letter confirms Friends of Waterfront Seattle's (Friends) financial commitment to personnel dedicated to our shared public safety goals as part of our partnership with the City of Seattle (City) on the operation of Waterfront Park.

For the 2023 calendar year, Friends of Waterfront Seattle has committed \$990,000 towards public safety staffing costs outside of Friends' staff positions. These funds will be drawn down beginning January 1, 2023, to fund contracted, private security to continuously (24/7/365) monitor publicly accessible areas of Waterfront Park in the same manner as Friends currently provides this service. Friends will continue to provide this contracted, private security until it is informed by the City that Seattle Center is prepared to assume this continuous security presence.

If the assumption of this security responsibility by the City begins in full on June 1, 2023, Friends will provide \$596,250 to the City to fund public employees fulfilling this responsibility. If the City assumes these responsibilities before or after June 1, 2023, Friends will adjust this commitment by an equitable amount to account for the increased or decreased use of private security. Friends will require a 30-day notice of the transfer of this public safety responsibility to close our private security contract adequately.

Under the assumption that the transition of this security responsibility is completed in 2023, Friends is committed to transferring the following amounts to the City to fund public employees in public safety roles at Waterfront Park.

- In 2024, \$945,000
- In 2025, \$1,000,000
- In 2026, \$1,000,000
- In 2027, \$1,000,000
- In 2028, \$1,000,000

Friends shall continue to fund our social services, park ambassadors, public safety management, and special event security outside of the commitments outlined in this letter.

If you have any questions about this commitment, please let me know. We appreciate our continued partnership with the City in providing a safe Waterfront Park that is welcoming to all visitors through our shared operational model.

Sincerely,

Eldon Tam  
Chief Operating Officer  
Friends of Waterfront Seattle



## SUMMARY and FISCAL NOTE\*

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact:</b>
Office of the Waterfront	Tiffani Melake/Kyle Butler	Caleb Wagenaar

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

### **1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to the Seattle Waterfront Park; authorizing the Director of Seattle Center to accept non-City funds; amending Ordinance 126725, which adopted the 2023 Budget; and creating new positions at Seattle Center.

#### **Summary and Background of the Legislation:**

This legislation authorizes the director of Seattle Center to accept funds from the Friends of the Waterfront consistent with the Friends' commitment to provide the City with funding to support public safety hiring in the Seattle Waterfront Park, increases appropriations accordingly, and creates new positions in the Seattle Center.

The legislation authorizes 11.0 FTE position authority and increases one existing 0.5 FTE to 1.0 FTE for 24-hour public safety staffing on the Seattle Central Waterfront, to be implemented in alignment with the Waterfront Public Safety Plan developed by the Office of the Waterfront and Civic Projects, Seattle Center, and Seattle Parks and Recreation, in consultation with the non-profit partner Friends of the Waterfront Seattle, to govern Waterfront Park and provide a safe and welcoming environment for visitors of the Waterfront.

The Central Waterfront Capital Program is in construction now, and Waterfront Park has begun to open in phases, with additional park and public spaces opening in 2023. The Waterfront Public Safety Plan will add dedicated public safety staffing to enforce the Waterfront Park Rules with a 24-hour presence on the Waterfront using a tiered response model to respond to incidents, leading with social services and outreach while providing the City the ability to respond to park rule violations that negatively impact the safety for visitors and reporting more criminal, dangerous or life-threatening issues immediately.

### **2. CAPITAL IMPROVEMENT PROGRAM**

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

### **3. SUMMARY OF FINANCIAL IMPLICATIONS**

**Does this legislation amend the Adopted Budget?**       Yes  No

Appropriation change (\$):	General Fund \$		Other \$	
	2023	2024	2023	2024
	\$0	\$0	\$596,250	\$0
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2023	2024	2023	2024
	\$0	\$0	\$596,250	\$0
Positions affected:	No. of Positions		Total FTE Change	
	2023	2024	2023	2024
	0	0	11.5	0.0

**Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

Yes, the positions will receive long-term city funding from the updated Seattle Park District with a recurring annual contribution planned to begin in 2025 with \$1.2 million per year that will grow by 4% annually under the newly adopted 2023-2028 Seattle Park District plan. In addition, for the years 2023 through 2028 the Friends of the Waterfront will make annual contributions to augment the Waterfront Park safety funding, appropriated in this ordinance (see Attachment A to the Council Bill for full details). In 2023 and 2024, funds from the Seattle Center Park District Waterfront budget for operations, including estimated ramp-up salary savings related to anticipated hiring timelines, will be used to meet the full cost (a total of \$681k in 2023 and \$975k in 2024).

**Are there financial costs or other impacts of *not* implementing the legislation?**

Not implementing this legislation may result in opportunity costs that make it challenging to implement a public safety model on the Waterfront Park, diminishing the overall benefits of the completed Central Waterfront capital improvement program. The new amenities may be used less often by the public if a comprehensive approach to ensuring public safety is not actively implemented.

**3.a. Appropriations**

**X** This legislation adds, changes, or deletes appropriations.

Fund Name and Number	Dept	Budget Control Level Name/#*	2023 Appropriation Change	Total
Seattle Center Fund – (11410)	Seattle Center	Waterfront – BO-SC-61000	\$596,250	\$596,250
<b>TOTAL</b>			<b>\$596,250</b>	<b>\$596,250</b>

**Is this change one-time or ongoing?**  
 Ongoing.

**Appropriations Notes:**

The appropriations detailed here are new revenues via a funding agreement with Friends of the Waterfront Seattle (Attachment A to the Council Bill). The remainder of the funding necessary to implement this legislation is budgeted in Seattle Center’s 2023 Waterfront-BO-SC-61000 BCL.

**3.b. Revenues/Reimbursements**

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

**Anticipated Revenue/Reimbursement Resulting from This Legislation:**

<b>Fund Name and Number</b>	<b>Dept</b>	<b>Revenue Source</b>	<b>2023 Estimated Revenue</b>	<b>Total</b>
Seattle Center Fund – (11410)	Seattle Center	Friends of the Waterfront Seattle – funding agreement	<b>\$596,250</b>	<b>\$596,250</b>
<b>TOTAL</b>			<b>\$596,250</b>	<b>\$596,250</b>

**Is this change one-time or ongoing?**

Ongoing, revenues are associated with the Metropolitan Park District plan and a funding commitment from Friends of the Waterfront Seattle.

**Revenue/Reimbursement Notes:**

New revenues from Friends of the Waterfront via a new funding agreement, detailed in Attachment A to the Council Bill. This includes \$596,250 in 2023, \$945,500 in 2024 and \$1 million annually for 2025-2028. Any unspent funds from this funding agreement shall be carried forward to future years to be spent on Central Waterfront Park public safety.

Additionally, the 2023 adopted budget already includes Seattle Park District funding for 3.5 FTE in Public Safety positions.

**3.c. Positions**

**X This legislation adds, changes, or deletes positions.**  
**Total Regular Positions Created, Modified, or Abrogated through This Legislation,**  
**Including FTE Impact:**

Position # for Existing Positions	Position Title & Department*	Fund Name & #	Program & BCL	PT/ FT	2023 Positions	2023 FTE	Does it sunset? (If yes, explain below in Position Notes)
N/A	Security Officer	Seattle Center Fund – (11410)	Waterfront – BO-SC-61000	FT	8.5	8.5	No
N/A	Security Officer, Senior	Seattle Center Fund – (11410)	Waterfront – BO-SC-61000	FT	3.0	3.0	No
<b>TOTAL</b>					<b>11.5</b>	<b>11.5</b>	

- 11.0 new regular positions and an increase of one existing 0.5 FTE to 1.0 FTE
- Planned hiring timing is listed in the table above, aligning with the phased opening of Waterfront Park amenities

**4. OTHER IMPLICATIONS**

- a. Does this legislation affect any departments besides the originating department?**  
 Yes, Seattle Parks and Recreation and Seattle Center. Under the proposed delegation authority from Seattle Parks and Recreation to Seattle Center, the Seattle Center will be responsible for hiring, training, and managing the positions.
- b. Is a public hearing required for this legislation?**  
 No.
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
 No.
- d. Does this legislation affect a piece of property?**  
 No.
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

These public safety positions will be working under a tiered response system to de-escalate conflicts and enforce park rules along the Central Waterfront. This model of enforcement is structured to enhance safety for visitors of the Waterfront while utilizing a compassionate approach to enforcement.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

No. These public safety positions will primarily work on foot in their patrol zones along the Waterfront.

**2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

No.

**g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

This legislation will implement an expanded, 24-hour public safety presence on the Waterfront. Measurable goals outlined in the Waterfront Performance Standard will include tracking of security data, parks rules violation data, and surveys of visitor experiences on the Waterfront that have been developed with the Central Waterfront Oversight Committee. This legislation is essential to approving the addition of these public safety positions to operate 24 hours a day.



Legislation Text

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**File #:** CB 120484, **Version:** 1

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**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

AN ORDINANCE authorizing the Director of Finance and Administrative Services to execute a fifth amendment to the Lease and Concession Agreement between The City of Seattle and BH Music Center for Benaroya Hall.

WHEREAS, pursuant to Ordinance 117855, the City and the Seattle Symphony Orchestra (“Symphony”)

executed a Master Agreement in October 1995, which agreement was amended pursuant to Ordinance 118112 in June 1996 (the “Amended Master Agreement”). The Amended Master Agreement provided for the City to develop and construct a new Downtown concert hall for primary use by the Symphony (“Benaroya Hall”) and detailed the terms under which the parties would cooperate to finance and construct the new facility. In September 1996, the Symphony, with the City’s approval, assigned its interests under the Amended Master Agreement and the related Design and Construction Agreements to the BH Music Center (“BHMC”); and

WHEREAS, in September 1997, the City and BHMC executed a Lease and Concession Agreement (the “Lease”), pursuant to which the City leased Benaroya Hall to BHMC; and

WHEREAS, pursuant to the Amended Master Agreement and the Lease, the City issued bonds to pay for a portion of the cost of acquiring and constructing Benaroya Hall (“Concert Hall Bonds”), and BHMC agreed to repay the costs of that financing through its concession payments under the Lease; and

WHEREAS, in 2004, The City of Seattle refinanced the Concert Hall Bonds in order to realize a lower interest rate; and

WHEREAS, in November 2007, the City Council passed Ordinance 122555, which authorized a second

amendment to the Lease with a modified concession payment schedule to reflect the City's lower borrowing costs achieved through refinancing the Concert Hall Bonds; and

WHEREAS, in November 2012, the City Council passed Ordinance 124029, authorizing a third amendment to the Lease to modify the concession payment to create a constant payment amount to match the term of the lease of Benaroya Hall to BHMC; and

WHEREAS, in April 2014, consistent with the authority under Ordinance 124341, the City and BHMC entered a fourth amendment to the Lease to change the concession payment schedule to provide for repayment of the new bonds; and

WHEREAS, on March 3, 2020, former Mayor Durkan issued a Mayoral Proclamation of Civil Emergency resulting from the COVID-19 pandemic (the "Pandemic"); and

WHEREAS, the Pandemic resulted in a series of public health orders that prevented BHMC's use of Benaroya Hall for extended periods and the Pandemic caused other unprecedented adverse impacts on BHMC's operations and finances; and

WHEREAS, as authorized by Executive Orders issued during the civil emergency, BHMC, as a non-profit arts and cultural organization, received deferral and abatement of certain concession payments; and

WHEREAS, the City and BHMC now desire to amend the Lease to memorialize concession payment deferrals and abatements; and

WHEREAS, the City and BHMC also desire to make amendments to the Lease to better preserve and maintain Benaroya Hall by increasing BHMC's required contributions to capital improvements and to require rent in the form of public benefits; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The Director of Finance and Administrative Services, or the Director's designee, is authorized to sign and execute the Fifth Amendment to the Lease and Concession Agreement between The City of Seattle and BHMC, substantially in the form attached as Exhibit A to this ordinance.

Section 2. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2022, and signed by me in open session in authentication of its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved / returned unsigned / vetoed this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Bruce A. Harrell, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Elizabeth M. Adkisson, Interim City Clerk

(Seal)

Attachments:  
Attachment A - Fifth Amendment to Lease and Concession Agreement



**FIFTH AMENDMENT  
TO  
LEASE AND CONCESSION AGREEMENT**

THIS FIFTH AMENDMENT TO LEASE AND CONCESSION AGREEMENT (this “Fifth Amendment”) is entered into this \_\_\_\_ day of \_\_\_\_\_, 2022, by and between THE CITY OF SEATTLE (the “City”), a first-class city of the State of Washington, and BH MUSIC CENTER (“Tenant”), a Washington nonprofit corporation.

**RECITALS**

A. The City and the Seattle Symphony Orchestra, a Washington nonprofit corporation (“Symphony”), executed a Master Agreement in October 1995, which was amended by a First Amendment executed in June 1996 (together, the “Amended Master Agreement”). The Amended Master Agreement provided for the development and construction of a new downtown concert hall for primary use by the Symphony and detailed the terms under which the parties would cooperate to finance and construct the new facility. In September 1996, the Symphony, with the City’s approval, assigned its interests under the Amended Master Agreement and the related Design and Construction Agreements to Tenant.

B. In September 1997, the City and Tenant executed a Lease and Concession Agreement (the “1997 Agreement”), pursuant to which the City leased to Tenant the facility to be constructed under the Amended Master Agreement. In August 1998, the City and Tenant executed a First Amendment to & Restatement of the Lease and Concession Agreement (the “First Amendment and Restatement”), which amended and restated the 1997 Agreement (the 1997 Agreement, as amended and restated by the First Amendment and Restatement, the “Agreement”).

C. Tenant completed construction of the facility commonly known as Benaroya Hall on the leased premises.

D. Effective November 4, 2008, the City and Tenant amended the Agreement (the “Second Amendment”) adjusting Tenant’s concession payments to reflect the City’s lower borrowing costs, decreasing Tenant’s contribution to the capital renewal fund, and increasing the cap on City’s reimbursement of certain costs.

E. Effective December 5, 2012, the City and Tenant amended the Agreement to adjust the timing and amount of concession payments (the “Third Amendment”).

F. Effective April 1, 2014, the City and Tenant amended the Agreement to provide for improvements to the sound, electrical and mechanical systems at Benaroya Hall and to provide for funding and additional concession payments (the “Fourth Amendment”).

G. Under the Agreement, as amended, the City owns the premises leased to Tenant, including the real property, Benaroya Hall, including alterations and improvements other than Tenant's personal property, and Tenant operates and maintains Benaroya Hall and associated public amenities and spaces and makes alterations Tenant deems advisable and necessary for operation of the Premises, all on the terms further outlined under the Agreement.

H. Beginning February 2020, the novel coronavirus (COVID-19) resulted in a series of public health orders and other impacts that caused Tenant to experience adverse financial impacts.

I. In order to address the unprecedented impacts of the COVID-19 pandemic (the "pandemic"), by letters dated June 8, 2020 and October 22, 2020, the City and Tenant agreed to abatement of certain payments and deferral of other payments while anticipating that the Agreement would be amended at an appropriate time in the future.

J. The City and Tenant mutually desire to make certain amendments to the Agreement to better provide for long term capital maintenance of Benaroya Hall and the premises, and to provide for Tenant's use of the Premises to provide enhanced public benefits.

K. The City and Tenant also mutually desire to make amendments to the Agreement to memorialize measures previously taken to mitigate the impacts of the pandemic on Tenant.

NOW, THEREFORE, in consideration of the mutual covenants set forth below and for other good and valuable consideration, the receipt and sufficient of which are hereby acknowledged, the City and Tenant agree as follows:

## **AGREEMENT**

### **1. Effective Date**

This Fifth Amendment shall be effective upon the date when signed by an authorized representative of each party following an authorizing ordinance of Seattle City Council ("Effective Date").

### **2. Definitions**

The definitions given to capitalized terms used in the recitals are incorporated into this Fifth Amendment. All capitalized terms that are not defined in this Fifth Amendment shall have the meanings given to them in the Agreement. From and after the date of this Fifth Amendment, all references to the "Agreement" means the 1997 Agreement as amended by the First Amendment and Restatement, the Second Amendment, Third Amendment, Fourth Amendment, and this Fifth Amendment. Additionally, all references in the Agreement to the ESD Director shall be deemed to refer to the City of Seattle's Director of Finance and Administrative Services, also referred to in this Fifth Amendment as "the FAS Director".

### **3. Concession Payments**

The “Base Payment” and “2014 Alterations” are both components of the annual Concession Payments due from Tenant to the City under Section 9.A of the Agreement as most recently amended by the Fourth Amendment and set forth in Exhibit C-2 to the Fourth Amendment.

(a) The Base Payment portion of the Concession Payments that were due on or before September 2020 and September 2021 in the aggregate amount of \$1,520,000 are hereby abated.

(b) The City acknowledges that the 2014 Alterations portion of the Concession Payments that were due on or before October 15, 2020; April 15, 2021; October 15, 2021; and April 15, 2022, in the aggregate amount of \$241,100 were temporarily deferred and that Tenant’s payment of the deferred amounts on or before September 30, 2022, shall be deemed timely.

(c) As of September 1, 2022, in consideration of Tenant’s obligation to provide the Capital Renewal Fund deposits under Section 4 and to provide the Public Benefit Rent under Section 5, the Base Payment portion of the Concession Payments shall no longer be due or payable. The Concession Payment Schedule attached as Exhibit C-2 to the Fourth Amendment is hereby deleted in its entirety and replaced with the Concession Payment Schedule attached as Exhibit C-3 to this Fifth Amendment and made a part of the Agreement.

(d) Tenant shall continue to pay the 2014 Alterations portion of the Concession Payment in an amount equal to the City’s principal and interest payments on the 2014 Bonds as reflected on Exhibit C-3 to this Fifth Amendment. Payments are due on or before April 15<sup>th</sup> and October 15<sup>th</sup> of each year through 2024.

(e) The City acknowledges that it abated the 2014 Alteration portion of the Concession Payment that was due on April 15, 2020, in the amount of \$107,650, on June 8, 2022.

### **4. Capital Renewal Fund Deposits**

(a) Tenant shall not be required to make the annual deposit in the amount of \$175,000 (as adjusted under Section 16.C of the Agreement) to the Capital Renewal Fund for 2020 and 2021 respectively.

(b) Section 16.B of the Agreement, last amended by the Second Amendment, is deleted in its entirety and replaced with the following:

Beginning September 1, 2022, and thereafter annually for the remainder of the Initial Term, Tenant shall make an annual deposit in the amount of \$935,000 to the Capital Renewal Fund required to be established under Section 16.A of the Agreement, which annual amount remains subject to adjustment under Section 16.C of the Agreement.

(c) Effective September 1, 2022, a new Section 16.D is added to the Agreement as follows:

Tenant shall use the Capital Renewal Fund solely for purposes outlined under Section 17. On or before October 15<sup>th</sup> of each year remaining in the Initial Term, Tenant shall provide the City with evidence reasonably acceptable to the FAS Director that shows the required annual deposit to the Capital Renewal Fund has been made. Additionally, Tenant shall provide the FAS Director with an annual report detailing all expenditures made from the Capital Renewal Fund for any project that is approved under Section 12 and 17. In addition to any other remedy allowable at law or equity, if Tenant fails to make the required annual deposit in the Capital Renewal Fund, or if Tenant uses the Capital Renewal Fund for expenditures not allowed under this Agreement, the City reserves the right to withhold O & M payments due under Section 11. Additionally, if this Agreement is terminated early due to Tenant default, all amounts in the Capital Renewal Fund shall be immediately due and payable to the City, in addition to any other damages allowed at law, including but not limited to payments to the Capital Renewal Fund that would have been made during the balance of the Initial Term.

## **5. Public Benefit Rent**

Section 8 of the Agreement is hereby deleted in its entirety and replaced with the following:

### **8. RENT.**

#### **A. Rent.**

In consideration for Tenant's use of the Premises and associated concession rights, Tenant's obligation to pay rent shall be fulfilled through providing public benefits as described under Section 8.B. Rent, including Public Benefit Rent, for any and all Extended Terms shall be determined pursuant to Section 2.

#### **B. Public Benefit Rent.**

##### **(1) Annual Requirement**

Beginning with the calendar year 2023 and continuing each year during the Initial Term and any and all Extended Terms, Tenant shall provide no less than \$1,200,000 annually in Public Benefit Rent. "Public Benefit Rent" includes, but is not limited to, the value of (a) discounted tickets to youth, senior, educational and nonprofit groups; (b) the net difference between the rental rate paid to Tenant by entities exempt from income taxation under 26 U.S.C.501(c)(3) and the rental rate paid to Tenant by non-exempt entities for the same spaces and comparable use period(s); (c) the discount provided for on-site performing arts education and performance programs designed to make the performing arts accessible to the public; and (d) the provision of other services or benefits that provide a direct benefit to the public that the FAS Director reasonably determines are eligible for treatment as Public Benefits. The value attributed by Tenant to the Public Benefit Rent must be net of donations or subsidies provided by other entities to support Tenant's Public Benefit Rent programs. In no event may Public Benefit Rent be used

to reduce Tenant's Concession Payments or other deposits, payments, transfers required by the Agreement. Public Benefit Rent shall be prorated on a daily basis for any partial year within the Initial Term and any Extended Term.

(2) Anticipated Annual Public Benefit Rent Statement

Beginning on or before September 30, 2023, and thereafter on or before September 1 of each year during the Initial Term, Tenant shall provide to the FAS Director a written statement that describes the anticipated Public Benefit Rent for the subsequent calendar year (the "Anticipated Public Benefit Rent"), together with an estimate of the value for each eligible category (e.g., discounted or free tickets for various events and programs, discounted rental rates, provision of other eligible services or benefits).

Within thirty (30) days of receipt, the FAS Director shall review Tenant's statement of Anticipated Public Benefit Rent for the upcoming year and shall either approve or communicate in writing any objections to any items included in the statement based upon the standard established under Section 8.B(1). If the FAS Director notifies Tenant of any objections, within thirty (30) days of receiving such notice, Tenant shall submit to the FAS Director an alternative proposal that addresses the FAS Director's objections. Within thirty (30) days of receipt of Tenant's alternative proposal, the FAS Director shall have the right to object to any item in the alternative proposal, and this process may continue until the FAS Director has no further timely objections and the FAS Director has approved the Anticipated Public Benefit Rent for that year.

(3) Year-end Report

On or before October 31, 2024, and on or before each October 31 annually thereafter during the Initial Term, Tenant shall provide to the FAS Director a report detailing the actual Public Benefit Rent provided during the preceding calendar year, together with an estimate of the value. Tenant shall not be entitled to carry forward any excess public benefits for any year in the Initial Term or any Extended Term, even if Tenant's actual cost of providing the public benefits in a particular year exceed the required Public Benefit Rent amount in Section 8.B(1). The FAS Director shall provide Tenant with a written objection if the FAS Director determines that any Public Benefit Rent claimed by Tenant (i) is not consistent with the approved Anticipated Public Benefit Rent statement, or (ii) is not consistent with the requirements of Section 8.B(1), or (iii) does not appropriately value the Public Benefit Rent provided by Tenant. Tenant shall keep accurate records and accounts supporting the provided and the basis for calculating their associated value, all of which shall be subject to reasonable inspection and copying by the City upon request.

(4) Remedies

If Tenant fails to provide the required Public Benefit Rent in any year, the FAS Director shall have the right to elect any of the following remedies: (i) require Tenant to pay the City the difference between the Public Benefit Rent required and the value of the Public Benefits delivered in cash; or (ii) extend the time period for Tenant to provide the required Public Benefit Rent; or (iii) accept Public Benefits that were not included in the applicable approved

Anticipated Public Benefit Statement but that provide equivalent value, as determined by the FAS Director.

(5) Dispute Resolution

Any dispute regarding Public Benefit Rent, including, but not limited to, the eligible type of benefits or the valuation of the Public Benefit Rent, shall be subject to the dispute resolution procedures in Section 28 of the Agreement.

**6. Reaffirmation of Agreement; Definitions**

The Agreement, as modified by all Amendments, shall remain in full force and effect and is hereby ratified and reaffirmed. All capitalized terms that are not defined in this Fourth Amendment shall have the meaning provided in the Agreement (including terms that are defined in any Amendment).

**7. Entire Agreement**

The Agreement, together with this Amendment and its Exhibit C-3 embodies the entire agreement of City and Tenant with respect to the subject matter thereof and described above and supersedes or incorporates all prior negotiations and agreements, written or oral.

**8. Counterparts**

This Amendment may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall be one document.

**9. Governing Law**

This Amendment shall be governed in all respects by the laws of the State of Washington.

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be executed as of the day and year first set forth above.

**City:**

**THE CITY OF SEATTLE**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Tenant:**

**BH MUSIC CENTER**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Acknowledgement for City

STATE OF WASHINGTON

ss.

COUNTY OF KING

On this \_\_ day of \_\_\_\_\_, 2022, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of the Department of Finance and Administrative Services of **THE CITY OF SEATTLE**, the party that executed the foregoing instrument as City, and acknowledged said instrument to be the free and voluntary act and deed of said party, for the purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year in the certificate above written.

\_\_\_\_\_  
[Signature]    [Printed Name]

NOTARY PUBLIC in and for the State of Washington residing at \_\_\_\_\_.  
My commission expires \_\_\_\_\_.

Acknowledgement for BH Music Center

STATE OF WASHINGTON

ss.

COUNTY OF KING

On this \_\_ day of \_\_\_\_\_, 2022, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared \_\_\_\_\_, to me known to be the \_\_\_\_\_ of **BH MUSIC CENTER**, the entity that executed the foregoing instrument; and acknowledged to me that she signed the same as the free and voluntary act and deed of said entity for the uses and purposes therein mentioned and that he was authorized to execute said instrument for said entity.

WITNESS my hand and official seal the day and year in this certificate above written.

\_\_\_\_\_  
*[Signature]*    *[Printed Name]*

NOTARY PUBLIC in and for the State of Washington residing at \_\_. My commission expires \_\_\_\_\_.



**EXHIBIT C-3**

**Amended Concession Payment Schedule<sup>1</sup>**

<b>Year</b>	<b>Date (Base Pmt)</b>	<b>Base Payment</b>	<b>Date (2014 Alterations)</b>	<b>2014 Alterations</b>	<b>Total Annual Revised Concession Payment</b>
1	1997	\$0			
2	1998	\$0			
3	1999	\$575,000			
4	2000	\$592,113			
5	2001	\$609,736			
6	2002	\$627,883			
7	2003	\$646,570			
8	2004	\$665,813			
9	2005	\$685,629			
10	2006	\$706,034			
11	2007	\$482,947			
12	2008	\$0			
13	2009	\$0			
14	2010	\$0			
15	2011	\$0			
16	2012	\$0			
17	9/30/2013	\$381,724			\$381,724
18	9/30/2014	\$381,724	10/15/2014	\$25,990	\$407,714
19	9/30/2015	\$455,590	4/15/2015 10/15/2015	\$98,275 \$21,400	\$575,265
20	9/30/2016	\$540,000	4/15/2016 10/15/2016	\$101,400 \$19,400	\$660,800
21	9/30/2017	\$620,000	4/15/2017 10/15/2017	\$104,400 \$17,275	\$741,675
22	9/30/2018	\$700,000	4/15/2018 10/15/2018	\$107,275 \$15,025	\$822,300

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23	9/30/2019	\$760,000	4/15/2019 10/15/2019	\$110,025 \$12,650	\$882,675
24	9/30/2020	\$760,000	4/15/2020 10/15/2020	\$107,650 \$10,275	\$877,925
25	9/30/2021	\$760,000	4/15/2021 10/15/2021	\$110,275 \$7,775	\$878,050
26	9/30/2022	\$0	4/15/2022 10/15/2022	\$112,775 \$5,150	\$117,925
27	9/30/2023	\$0	4/15/2023 10/15/2023	\$115,150 \$2,400	\$117,550
28	9/30/2024	\$0	4/15/2024	\$122,400	\$122,400
29	9/30/2025	\$0			\$0
30	9/30/2026	\$0			\$0
31	9/30/2027	\$0			\$0
32	9/30/2028	\$0			\$0
33	9/30/2029	\$0			\$0
34	9/30/2030	\$0			\$0
35	9/30/2031	\$0			\$0
36	9/30/2032	\$0			\$0
37	9/30/2033	\$0			\$0
38	9/30/2034	\$0			\$0
39	9/30/2035	\$0			\$0
40	9/30/2036	\$0			\$0
41	9/30/2037	\$0			\$0
	Sum	\$10,950,763		\$1,211,940	\$6,586,003

<sup>1</sup> The amended Base Payment begins in 2022. In years 2020 and 2021, these payments are reflected in the schedule but are abated under section 3a of the Fifth Amendment to the Lease and Concession Agreement.

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
FAS	Matt Courtois / 206-684-4924	Jennifer Breeze / 206-256-5972

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

**1. BILL SUMMARY**

**Legislation Title:**

AN ORDINANCE authorizing the Director of Finance and Administrative Services to execute a fifth amendment to the Lease and Concession Agreement between The City of Seattle and BH Music Center for Benaroya Hall.

**Summary and Background of the Legislation:**

The legislation amends The City of Seattle’s (“City”) Lease and Concession Agreement with Benaroya Hall Music Center (“BHMC”) which manages Benaroya Hall, a City owned property. The legislation authorizes a fifth amendment to the Lease and Concession Agreement. The primary purpose of the legislation is to redirect funding into the building by eliminating a portion BHMC’s required concession payments beginning in 2022 and increasing the amount BHMC is required to put into funding Benaroya Hall’s capital improvements. Overall, the legislation makes four major changes to the Lease and Concession Agreement as amended:

1. Eliminate the base concession payments to the City (currently \$760,000 annually) beginning 2022 to the end of the initial lease term in 2037. The \$760,000 payments are not included in the City’s 2022 or 2023 Proposed Budget.
2. Increase BHMC’s required annual contribution to the Capital Renewal Fund by \$760,000, to a total of \$935,000, beginning 2022 through the end of the term of Lease in 2037. The funding that BHMC contributes to the BHMC Capital Renewal Fund must be used on Benaroya Hall capital needs consistent with the BHMC long-term capital plan.
3. Memorialize abatement of concession payments that were deferred in 2020 and 2021 due to COVID economic downturn, totaling \$1,627,650.
4. Requires BHMC to report to the City annually with a requirement that a minimum of \$1.2 million in public benefits are provided as public benefit rent starting in 2023. Public benefits are based on the value of discounted tickets and community services (educational activities, community centered events, and other programs that are approved by the Director of Finance) that BHMC provides.

**2. CAPITAL IMPROVEMENT PROGRAM**

**Does this legislation create, fund, or amend a CIP Project?**      \_\_\_ Yes  X  No

**3. SUMMARY OF FINANCIAL IMPLICATIONS**

**Does this legislation amend the Adopted Budget?**      \_\_\_ Yes  X  No

**Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

No

**Are there financial costs or other impacts of *not* implementing the legislation?**

Yes, by not implementing the legislation, Benaroya Hall's backlog of needed capital projects will increase, and major maintenance will continue to be deferred. Currently, BHMC has a reported backlog of roughly \$20 million in capital projects that are needed to maintain the City owned facility in working condition. Projects include repair and replacement of elevators, HCAV systems, and other critical items.

#### **4. OTHER IMPLICATIONS**

**a. Does this legislation affect any departments besides the originating department?**

No

**b. Is a public hearing required for this legislation?**

No

**c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No

**d. Does this legislation affect a piece of property?**

Yes, Benaroya Hall is a City owned facility and a map is attached.

**e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

Yes, the proposal increases racial equity and supports historically disadvantaged communities by amending the existing BHMC Lease and Concession Agreement to adjust the rent due to the City to be tied to BHMC meeting a minimum public benefit requirement each year.

This requires BHMC to provide a minimum amount of benefits to the community. These benefits include the cost of discounted tickets and community events hosted and supported by BHMC. The requirement also requires BHMC to report on the community benefits to the City on an annual basis.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

No

- 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

No

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s)?**

No

**Summary Attachments:**

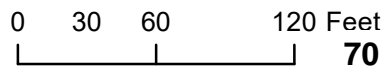
Summary Attachment A - Map of Facility



# Benaroya Hall

Produced by FAS - Real Estate Services Division

Source: Esri, Maxar, Earthstar Geographics, and the GIS User Community



Amendment 1 to CB 120484 – Benaroya Hall Lease Amendment

Sponsor: Councilmember Lewis

*Internal reference correction*

**Effect:** Corrects internal reference to the proposed lease amendment.

Amend Section 6 of Attachment A to CB 120484 as follows:

**6. Reaffirmation of Agreement; Definitions**

The Agreement, as modified by all Amendments, shall remain in full force and effect and is hereby ratified and reaffirmed. All capitalized terms that are not defined in this ~~((Fourth))~~ Fifth Amendment shall have the meaning provided in the Agreement (including terms that are defined in any Amendment).

## Amendment 2 to CB 120484 – Benaroya Hall Lease Amendment

Sponsor: Councilmember Lewis

*Retroactive Amendments*

**Effect:** Clarifies Council’s intent with respect to the effective dates of the retroactive amendments contained within the fifth amendment to the lease.

Amend Section 1 of Attachment A to CB 120484 as follows:

### **1. Effective Date**

This Fifth Amendment shall be effective upon the date when signed by an authorized representative of each party following an authorizing ordinance of Seattle City Council (“Effective Date”). So long as this Fifth Amendment is effective as provided under this section, the amendments shall be retroactively effective on the dates specified, rather than taking effect on the Effective Date.



**Amendment 3 to CB 120484 – Benaroya Hall Lease Amendment**

**Sponsor:** Councilmember Lewis

*2014 Alterations Due Date*

**Effect:** Changes the due date for payment of deferred 2014 Alterations from September 2022 to October 2022.

Amend Section 3 of Attachment A to CB 120484 as follows:

(b) The City acknowledges that the 2014 Alterations portion of the Concession Payments that were due on or before October 15, 2020; April 15, 2021; October 15, 2021; and April 15, 2022, in the aggregate amount of \$241,100 were temporarily deferred and that Tenant’s payment of the deferred amounts on or before ~~((September))~~October 30, 2022, shall be deemed timely.

January 13, 2023

## MEMORANDUM

**To:** Public Assets and Homelessness Committee  
**From:** Lise Kaye, Analyst  
**Subject:** Council Bill 120484: Fifth Amendment to the Benaroya Hall Music Center Lease

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On January 18, the Public Assets and Homelessness Committee will consider (and possibly vote on) [Council Bill \(CB\) 120484](#), sponsored by Councilmember Lewis. CB 120484 would authorize the Director of the Department of Finance and Administrative Services (FAS), or the Director's designee, to execute a fifth amendment to the Lease and Concession Agreement ("the Lease") between the City of Seattle (the City), which owns Benaroya Hall, and the non-profit Benaroya Hall Music Center (BHMC). The amendment would restructure the Lease to 1) help mitigate the ongoing financial impacts to BHMC from the COVID-19 pandemic, 2) address BHMC's unfunded capital projects and 3) require BHMC to pay a minimum of \$1.2 million in "public benefit rent." Council cannot unilaterally revise the proposed fifth amendment to the lease, as any changes would require additional negotiation with BHMC.

This memorandum provides a brief background of the City's partnership with BHMC and describes the current cost sharing provisions, the City's response to BHMC's requests for financial aid during the COVID-19 pandemic, the proposed fifth amendment to the Lease, proposed technical amendments to the Lease, and potential policy considerations.

### Background

Opened in September 1998 on the block bordered by Second and Third Avenues and University and Union Streets, Benaroya Hall is the headquarters of the Seattle Symphony Orchestra and a venue for other performances. The total cost of the Hall was \$118.5 million, most of which was funded with donations. The City contributed about \$41 million, of which about \$25 million was in the form of debt financing. Per [Resolution 29438](#), the City owns the property and leases the building to BHMC, a non-profit corporation formed in 1995, of which the Seattle Symphony is its sole member. The City has one of three designated seats on the Benaroya Hall Board of Directors, which currently has 10 members .<sup>1</sup>

BHMC's initial 40-year Lease and Concession Agreement was effective on September 29, 1997, as authorized by Council passage of [Ordinance 118732](#). The Lease provides for two consecutive 15-year extensions and an option for BHMC to purchase the Hall as early as 2027. If the Lease is not renewed, the City would assume management of the facility, and any cost sharing arrangements would need to be negotiated with a new tenant or tenants. To date, the Council has approved four amendments to the Lease, as detailed in the legislative and financial history provided in Attachment A to this memo.

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<sup>1</sup> Interim Finance Director Jamie Carnell is the current City Representative on the Board.

The four previous amendments to the Lease primarily addressed cost sharing arrangements, including BHMC’s payment of debt service on City-issued bonds. The City first issued bonds for construction costs in 1996, refinanced them in 2004 and 2013, and paid them off in January 2020. BHMC has been paying the City for the debt service on the bonds according to a payment schedule agreed to by the City and BHMC through what the Fourth Amendment to the Lease refers to as “Base Concession Payments.” The City issued new bonds in 2014 to pay for \$1.1 million in capital improvements to Benaroya Hall (HVAC, sound and lighting equipment); the Fourth Amendment to the Lease refers to the portion of the Concession Payments used to repay these bonds as “2014 Alterations.” The 2014 Alterations Concession Payments continue through April 2024, and the Base Concession Payments continue through 2037, unless the Lease is amended.

City Aid to BHMC During the Pandemic

In 2020, the Executive responded as shown below to two requests from BHMC for financial support to help mitigate the financial impacts of the COVID-19 pandemic crisis on Benaroya Hall and the Seattle Symphony.

- June 8, 2020: One-time abatement of the \$107,650 2014 Alterations Concession Payment due in April 2020
- October 20, 2020: Deferral of Base Concession payments due in 2020 and 2021, totaling \$1,520,000; deferral of 2014 Alterations Concession Payments due in 2020, 2021 and 2022, totaling \$241,000; and option for BHMC to forego transfer of \$175,000 from operating funds to capital for 2020, 2021 and 2022<sup>2</sup>

Current Cost Sharing Between the City and BHMC

Table 1 shows BHMC’s and the City’s funding obligations in 2023 under the current lease.

*Table 1. 2023 Funding Requirements under the Current BHMC Lease*

	BHMC	City
Base Concession Payment <sup>3</sup>	\$760,000	
2014 Alterations Concession Payment <sup>4</sup>	\$117,500	
Capital Renewal Fund Contribution <sup>5</sup>	\$175,000	
Garden of Remembrance Capital Trust Fund and Concert Hall Payments <sup>6</sup>		\$687,196
<b>Total</b>	<b>\$1,055,500</b>	<b>\$687,196</b>

<sup>2</sup> BHMC did forgo the \$175,000 contribution in 2020 and 2021; as described later in this memo, the proposed Lease requires the 2022 Capital Renewal Fund contribution.

<sup>3</sup> Payable through 2037.

<sup>4</sup> Two payments totaling \$117,500 due in 2023 and one payment of \$122,400 due in 2024 for a total of three payments remaining.

<sup>5</sup> The \$175,000 contribution is required through 2037.

<sup>6</sup> The Lease requires the City to reimburse a “Base Amount” to BHMC for operations and maintenance of the Concert Hall and Garden of Remembrance, adjusted annually by the Consumer Price Index. The 2023 Adopted Budget for FAS includes \$655,362 for the Concert Hall payment and \$31,834 for the Garden of Remembrance.

## CB 120484 – Proposed Fifth Lease Amendment

On March 11, 2022, BHMC updated FAS on the fiscal impact of the COVID-19 pandemic on BHMC and the Seattle Symphony and identified an estimated \$3.4 million operational deficit from 2022 to 2027. At the same time, BHMC also identified \$9.5 million in critical capital infrastructure expenses over the next five years. FAS and BHMC subsequently negotiated the terms of a fifth amendment to the Lease, leading to the Executive’s transmittal of CB 120484, which would authorize the FAS Director or the Director’s designee to execute the amendment. Table 2 compares BHMC’s Lease & Concession Payments under the existing and proposed Lease terms.

Table 2. BHMC’s Lease & Concession Payments Under Existing and Proposed Lease Terms

	Current Lease 4 <sup>th</sup> Amendment (2022 payments)	Proposed Lease 5 <sup>th</sup> Amendment (2023 payments)
Base Concession Payments	\$760,000	-
2014 Alterations Payments	\$117,925	\$117,550
Capital Renewal Fund	\$175,000	\$935,000
<b>Subtotal</b>	\$1,052,925	\$1,052,550
Public Benefit Rent (in kind)	-	\$1,200,000
<b>TOTAL</b>	\$1,052,925	\$2,252,550

The proposed amendment is intended to A) provide financial relief to BHMC to compensate for pandemic-related revenue impacts, B) provide a long-term revenue stream for capital improvements to Benaroya Hall, including major maintenance investments, and C) require \$1.2 million in annual Public Benefit Rent, which may include discounted tickets and facility rental rates. The proposed fifth amendment to the Lease would also recognize BHMC’s repayment of \$241,100 in deferred 2014 Alterations Concession Payments.<sup>7</sup>

### A. Financial Relief

The fifth amendment to the Lease would provide the following financial relief to BHMC

- Formally acknowledge that, on June 8, 2022, the City abated (forgave) \$107,650 in 2014 Alterations Concession Payments due from BHMC to the City on April 15, 2020.
- Abate two deferred concession payments of \$760,000 due in 2020 and 2021.
- Allow BHMC to forego its annual deposit of \$175,000 in operating revenue to the Capital Renewal Fund for 2020, 2021.
- Starting in 2022, cancel BHMC’s Base Concession Payment to the City (currently \$760,000 annually)

### B. BHMC Contributions to the Capital Renewal Fund

According to FAS, the fifth amendment to the Lease would provide up to \$15 million in capital project support through 2037. Of this, \$12.2 million would be funded by redirecting

<sup>7</sup> Four payments previously deferred from October 2020 to April 2022 for debt service on 2014 bonds.

the \$760,000 annual Base Concession Payment previously paid by BHMC to the City for the debt service on City bonds retired in 2020, and \$2.8 million would be funded by BHMC's currently required annual \$175,000 annual contribution to the Capital Renewal Fund. In total, this would reduce BHMC's capital need through 2037 from approximately \$20.5 million to \$5.5 million."

C. Public Benefits

The fifth amendment to the Lease would establish a minimum "public benefit rent" of \$1.2 million per year, payable by BHMC in enhanced public benefits through distribution of discounted tickets and community-oriented services including educational activities and other programs as approved by the FAS Director. CB 120484 would require an annual report and establishes remedies should BHMC fail to provide the required public benefit rent.

**Technical Amendments**

Councilmember Lewis has sponsored four technical amendments to CB 120484, as follows:

- Amendment 1: Corrects internal reference to the proposed lease amendment.
- Amendment 2: Clarifies effective dates of the retroactive amendments.
- Amendment 3: Changes signature block dates in CB 120484 and Attachment A (the Lease amendment) from 2022 to 2023
- Amendment 4: Changes the due date by one month for deferred 2014 Alterations

**Policy Issues**

1. Abatement and Redirection of Concession Payments

CB 120484 would abate approximately \$2 million in BHMC concession payments and provide up to \$15 million for unfunded capital investments in lieu of continued Base Concession Payments. This action would partially offset BHMC's estimated \$3.4 million operational deficit from 2022 to 2027 and provide a significant source of revenue to address Benaroya Hall's long term capital needs, for which the City is responsible. Alternately, Council could request that the City reopen negotiations with BHMC to repurpose some or all of this revenue. In the event that Council does not approve the fifth amendment, the terms of the fourth amendment would remain in effect. In that scenario, none of the Concession Payments would be abated and capital improvements to Benaroya Hall would likely be deferred, which could increase the City's future financial costs.

Options:

- A. Approve CB 120484 as proposed, thereby abating BHMC's 2020 and 2021 concession payments and redirecting future payments to BHMC's Capital Renewal Fund.
- B. Do not approve CB 120484, and possibly request consideration of alternative Concession Payment terms.

2. Public Benefit Rent

CB 120484 would restructure BHMC’s rent obligations to require \$1.2 million in “minimum public rent,” intended to provide enhanced public benefits through community-oriented services and distribution of discounted tickets. The FAS Director would approve the public benefit rent programs and their valuation, and BHMC would provide an annual program report to the Director. FAS has not completed a Racial Equity Toolkit for this proposal, however according to the Executive, advancing Seattle's Race and Social Justice Initiative was a primary policy consideration in developing this Lease amendment. FAS intends to monitor whether BHMC’s resources under the program are being distributed equitably and are responsive to the City’s Race and Social Justice Initiative.

Options:

- A. Approve CB 120484 as proposed, including the Public Benefit Rent provisions.
- B. Request FAS to complete a Racial Equity Toolkit for this proposal and report findings and recommendations, as warranted, for modifications to the Public Benefit Rent provisions.

**Attachments:**

- A. Legislative and Related Financial History of the City of Seattle Agreements with BHMC

cc: Esther Handy, Director  
Aly Pennucci, Deputy Director  
Brian Goodnight, Supervising Analyst

**Attachment A.**

**Legislative and Related Financial History of the City of Seattle Agreements with BHMC**

Date	Ordinance	Agreement
October 1995	<a href="#">Ordinance 117855</a>	<b>Master Agreement</b> with Symphony regarding development and construction of new concert hall, including provisions for City sale of TDRs (the transfer of development rights) and cost sharing of anticipated revenue from the sale(s).
June 1996	<a href="#">Ordinance 118112</a>	<b>First Amendment to Master Agreement</b> pertaining to sale of TDRs and full funding of the concert hall project.
June 1996	<a href="#">Ordinance 118162</a>	The City issued \$25 million in Limited Tax General Obligation (“LTGO”) bonds to pay for a portion of the cost of acquiring and constructing Benaroya Hall and the addition of a garage. BHMC Concession Payments were initially based on the City’s borrowing costs but not directly tied to the bonds. (These bonds were refinanced in 2004 and again in 2013.)
September 1997	<a href="#">Ordinance 118732</a>	<b>Lease and Concession Agreement</b> detailing how revenue from sale of TDRs and funds from other sources would be allocated and expended.
June 1998	<a href="#">Ordinance 119051</a>	<b>Second Amendment to Master Agreement</b> and Restatement of Lease and Concession Agreement (aka <b>First Amendment to Lease and Concession Agreement</b> ) providing City bond financing for construction costs to be repaid through BHMC Concession Payments Concession payments aligned with projected parking revenues which were less than the City’s debt service schedule.
June 2005	Not memorialized in any formal amendment <sup>1</sup>	Reduced BHMC annual payments into the Capital Renewal Fund from \$245,000 to \$150,000 based on actual costs and current capital replacement schedule.

<sup>1</sup> The fourth recital in Ordinance 122555 explained that, while no formal amendment had been entered into to memorialize this modification, BHMC had been making annual deposits of \$150,000 to the Capital Renewal Fund since July 1, 2005.

Date	Ordinance	Agreement
November 2006	Not memorialized in any formal amendment but “approved by the Mayor and City council through adoption of the 2007 budget” according to the sixth recital in <a href="#">Ordinance 122555</a>	Increased the City’s reimbursement of maintenance and operations costs for the Garden of Remembrance from \$60,000 to \$120,000, effective July 1, 2007.
November 2007	<a href="#">Ordinance 122555</a>	<b>Second Amendment to the Lease and Concession Agreement</b> adjusting BHMC’s debt service repayment to reflect a more favorable interest rate from the 2004 refinance of Concert Hall Bonds.
2008- 2012	N/A	City suspended collection of Concession Payments, to mitigate financial impacts to BHMC from the Great Recession.
November 2012	<a href="#">Ordinance 124029</a>	<b>Third Amendment to the Lease and Concession Agreement</b> restructuring the Concession Payments to achieve a constant annual payment amount from 2019 – 2037, coterminous with the lease, instead of the original escalating debt service over a shorter term.
2013	N/A	1996 Concert Hall Bonds refinanced a second time, with savings passed on to BHMC via reduced Concession Payment.
November 2013	<a href="#">Ordinance 124341</a>	Approved the issuance of LTGO bonds for multiple purposes, including \$1.1 million in capital improvements to Benaroya Hall (HVAC, sound and lighting equipment). Debt service for the Benaroya Hall elements would be repaid from BHMC’s concession contract payments. Section 16C of Ordinance 124341 provided the authority to enter into a <b>Fourth Amendment to the Lease and Concession Agreement</b> . The Amended Concession Payment Schedule distinguished between Base Concession Payments and these additional Bonds, referred to as the “2014 Alterations.”





Legislation Text

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**File #:** Inf 2221, **Version:** 1

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Seattle Convention Center opening update

# Seattle Convention Center

Advancing the common  
good for the city, county  
and state.





# A Long History of Impact

# Benefiting Seattle (1988 – present)

- 11,500 events since 1988
- 12,761,100 individuals hosted in SCC
- Over \$7.1 billion estimated spending by out-of-state attendees



# The Challenge



# The Vision



Photo courtesy Visit Seattle by Andrew Jacobs Media

# Creating Equitable Opportunity

- \$150M WMBE contracts
- 32% minority workers
- 30% Priority Hire workers
- 22% apprentices
- 1M apprenticeship hours
- Trades Rotation Program
- Strategic Partnership Program



# Design for the Future

- LEED certified (Arch and Summit)
- Salmon Safe (Summit)
- Seattle 2030 District – Vision Award for Water, Summit
- NW Meetings + Events Magazine – Best Green Venue in WA
- Seattle Business Magazine – Washington’s Green 50 Award
- WA State Recycling Assn – Recycler of the Year- Public Agency





# Investment in the Community - Summit

		Total Value	“Public Benefit” Value
<b>Community Coalition Agreement</b>	Affordable Housing Funding (plus additional \$1 MM for CC)	30,000,000	30,000,000
	Freeway Park Improvements Funding	10,000,000	10,000,000
	Bicycle Master Plan Funding – Pike/Pine	10,000,000	10,000,000
	Bicycle Master Plan Funding – 8th Avenue	6,000,000	6,000,000
	Terry Avenue Promenade Funding	4,000,000	0
	Lid I-5 Study Funding	1,500,000	1,500,000
	Olive Way Safety Improvements	500,000	0
<b>Additional SCC Public Benefits</b>	Pike-Pine Renaissance: Act 1 Funding	10,000,000	10,000,000
	Public Open Spaces & Improvement Beyond Code	8,100,000	8,100,000
	Public Benefit Artworks	1,850,000	1,850,000
	Historic Building Lighting	1,000,000	1,000,000
	9th Avenue R.O.W. Improvements	600,000	600,000
	Olive Way R.O.W. Improvements	200,000	200,000

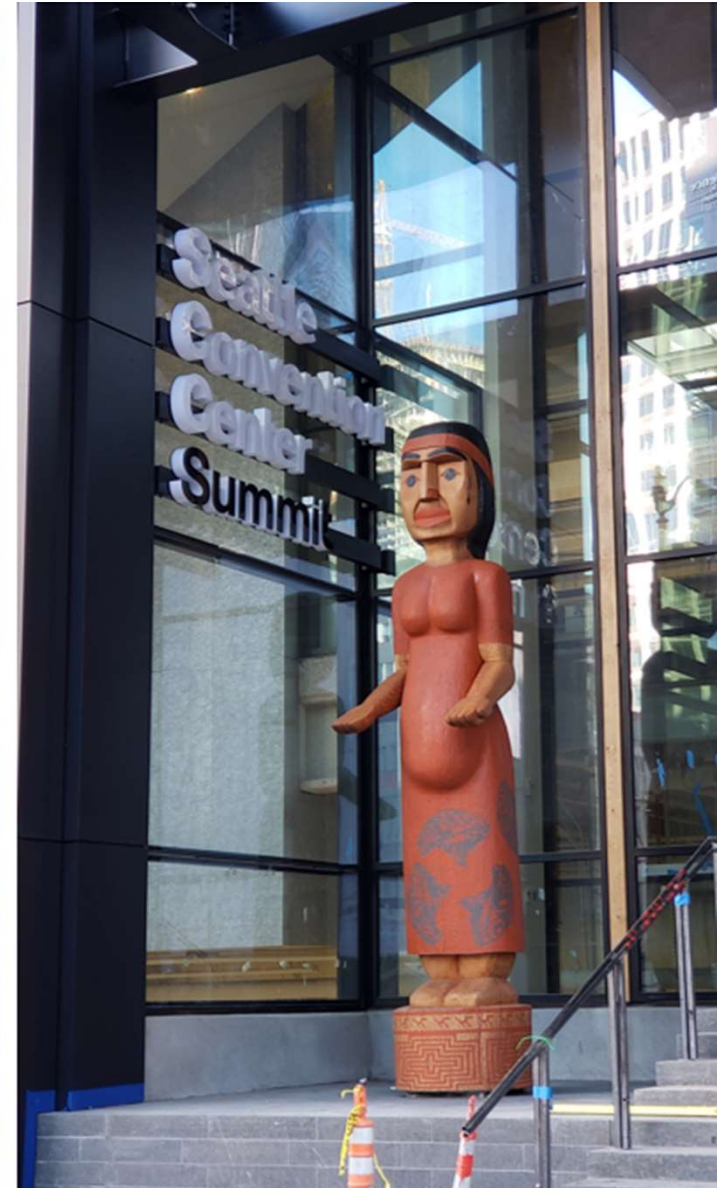
# A Legacy of Housing Benefits

Housing Project	Date Finished	Number of Units	Affordable Housing Provider
Cambridge	1986	153	Bellwether (Seattle Housing Authority)
Eagles	1996	44	Bellwether (Housing Resources Group (HRG))
Ellis Court	1990	57	Donn Etherington
Gilmore	2003	65	Bellwether (HRG)
Graham/Terry	1992	121	Bellwether (HRG)
John Winthrop	1988	58	Bellwether sold 10/2018 (HRG)
Larned	1992	33	Capitol Hill Housing Improvement Program
Olive Tower	1984	52	Bellwether (HRG)
Oregon	1990	83	Bellwether (HRG)
St. Regis	1986	47	Seattle Housing Authority
Seneca	1998	32	Capitol Hill Housing Improvement Program
Starlighter	2001	6	Mt. Baker Housing Authority
Tall Cedars	2002	22	South King County Multi-Service Center
Tate Mason House	1998	97	Bellwether (HRG)
Views at Madison	2002	96	Hearing, Speech & Deafness Center
Village at Overlake Station	2002	308	King County Housing Authority
Vine Court	1987	54	Bellwether (HRG)
<b>Total Units Built</b>		<b>1,328</b>	
Units Lost to SCC Construction		(288)	McKay (88), Senator (73), Waldorf (127)
<b>Net Units Gained</b>		<b>1,040</b>	

# A Legacy of Housing Benefits, cont'd

Community Coalition Agreement	Affordable Housing Funding plus additional \$1 MM for CC	\$30,000,000
King County & Incentive Zone Housing	Affordable Housing Funding from KC Land Sale	5,000,000
King County & Incentive Zone Housing	Affordable Housing Funding from Incentive Zoning	4,300,000
Other elements	Plymouth Housing	\$330,000
	<b>Total</b>	<b>\$40,000,000</b>

# Celebrating Creativity



# Giving Back



# Summit Grand Opening Events

## January 25

- Ribbon-cutting Ceremony
- Hospitality Industry Night

## January 26

- Ballroom Dedication

## January 27

- Public Open House





Legislation Text

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**File #:** Inf 2222, **Version:** 1

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HSD quarterly report on activities responding to unsheltered homelessness

# Update on Activities Responding to Unsheltered Homelessness

Michael Bailey, Deputy Director, Human Services Department

Public Assets & Homelessness Committee  
January 18, 2022



# Agenda

- Introduction
- Q3 2022 Outcomes
- Key Outreach Activity
- Operations Update

# Introduction

- The Human Services Department's (HSD) mission is to **connect people with resources and solutions during times of need** so we can all live, learn, work and take part in strong, healthy communities.
- In 2022, most homelessness contracts moved from HSD to King County Regional Homelessness Authority (KCRHA).
- HSD System Navigators remain at the City as part of the Unified Care Team (UCT) to serve a unique, person-centered role in accordance with the Multi-Departmental Administrative Rules.
- HSD coordinates the shelter recommendation and referral process for City funded set-aside shelter resources but does not lead encampment removals or schedule priority sites.

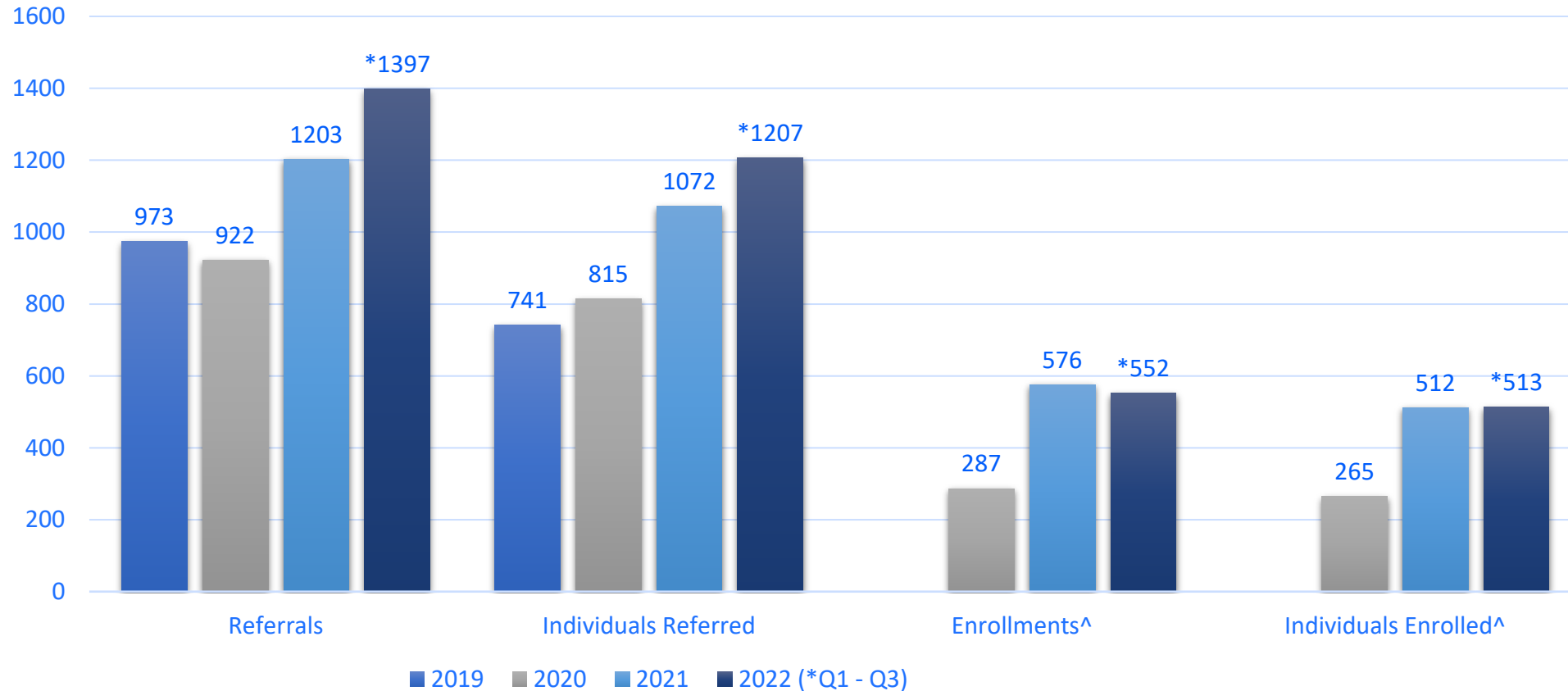
# Q3 2022 Outcomes

- 614 referrals (duplicated) to shelter, representing 542 unique individuals
  - 417 referrals were initiated by HSD System Navigators
  - 197 Referrals were made in collaboration with 17 different outreach providers
  - From 92 different encampment sites
- 100% referrals were to 24/7 enhanced shelters (76% of total referrals) or tiny houses (24% of total referrals)
- 54% of referrals were to people experiencing homelessness who are Black, Indigenous, or People of Color (BIPOC).
- Referrals based on 1,258 shelter recommendations (duplicated)

# Q3 2022 Outcomes

- 250 individuals were confirmed by HSD as enrolling into the shelter they were referred to, an increase of 155% year-over-year.
- This represents an enrollment rate of 46.1% for the quarter, an increase compared to 41% in Q2.
- Confirmed enrollments are likely a significant undercount due challenges reconciling HSD and HMIS data.

# HSD Outcomes By Year



<sup>^</sup>Shelter enrollment tracking is challenging due to the data match required between HSD data and HMIS. Matching these distinct data sets is imperfect for several reasons. This includes approximately 25% of enrollments in HMIS having anonymized PII, individuals providing different PII (such as a name) to HSD and HMIS; individuals enrolling at a shelter over 48 hours after a referral is made; or individuals enrolling at a different shelter than which they were referred.

# Key Outreach Activity in Q3

- Facilitated outreach huddles with providers and KCRHA in neighborhoods citywide
- HSD continues to coordinate efforts downtown and in the Chinatown-International District with KCRHA's System Advocates and the Partnership for Zero initiative.
- Other significant outreach coordination efforts of note were in North Seattle
  - Vicinity of Stone Ave N and N 125th St (19 referrals)
  - N 96th St & Aurora Ave N (18 referrals)
  - Along Interurban Trail (12 referrals)

# Operations Update

- HSD, in partnership with KCRHA and the UCT, will continue to improve coordination and service delivery for meaningful site resolutions ("solutions beyond removals").
- At the end of last year, the HOPE Team began to sunset its original role and function and is restructuring its responsibilities to align with the UCT's new geographically based strategy (HSD-035-C-001-2023).

# Questions?



# Memo

**Date:** November 17, 2022

**To:** Councilmember Andrew Lewis, Chair, Public Assets & Homelessness Committee  
Councilmember Alex Pedersen

**From:** Michael Bailey, Deputy Director, Human Services Department

**Subject:** Response to SLI HOM-018-A-001 - Request that HSD provide a quarterly report on activities responding to unsheltered homelessness

## Introduction

This report is offered in response to 2022 Statement of Legislative Intent [HOM-018-A-001](#) (SLI), which requests a quarterly report from the Human Services Department (HSD) providing basic performance metrics and information on the Homelessness Outreach and Provider Ecosystem (HOPE) Team and the collaborating departments and agencies that manage the cleanup or removal of unsanctioned encampments. This report provides data collected by the HOPE Team from Quarter 3 (Q3), which spans July 1 – September 30, 2022.

Beginning this year, the [King County Regional Homelessness Authority](#) (KCRHA) assumed oversight of City of Seattle-funded outreach and shelter contracts. The City and KCRHA work in collaboration to support those individuals living unsheltered by making shelter beds available and ensuring offers of shelter are made by outreach providers prior to a site being posted for removal. Once a site has been posted for removal, System Navigators from the HOPE Team are on-site to coordinate outreach and provide shelter referrals until the site is resolved. As KCRHA now oversees the deployment of City of Seattle-funded outreach providers, reporting on referrals originating with these providers will be reported on by KCRHA beginning with this submission.

## King County Regional Homelessness Authority Update (as provided by KCRHA)

The King County Regional Homelessness Authority (KCRHA) has eleven contracts (i.e., project service agreements) with nine different agencies to do homelessness outreach. According to the [Homelessness Management Information System \(HMIS\)](#), these programs catalogued a total of 770 new households enrolling in the outreach programs during the quarter for a total of 2,575 households enrolled (see Table 1). A household enrolling a program typically reflects that a substantial relationship was established with the individual and does not reflect the full number of people the outreach agency encountered. For example, REACH's database for care coordination, which catalogues an individual once they have provided some degree of personally identifying information, catalogued 961 unique and known clients who were engaged in the last quarter for the two programs funded by KCRHA, approximately six times as many individuals as it entered into HMIS. Further, REACH estimates the number of unique and known clients it coordinated care for was likely less than half of the number of individuals encountered by its outreach workers.

Table 1: Homelessness Outreach Agency Data for July 2022 through September 2022

<b>New Households Enrolled into Outreach Programs</b>	<b>Total Enrollments into Outreach Programs</b>	<b>Referrals to Shelter</b>	<b>Referrals to Authorized Encampment</b>	<b>Exits to Permanent Housing</b>	<b>Average HMIS Consent Rate</b>
770	2,575	592	41	21	85%

In total, homelessness outreach agencies reported 592 referrals to shelter, 41 referrals to a tiny house village, and 21 exits to permanent housing. These numbers reflect successful connections to a shelter or housing situation, but not the total number for whom shelter or housing was unsuccessfully sought. For example, in the most recent quarter, data maintained by the HOPE Team recorded 1,258 shelter recommendations (duplicated) originating from homelessness outreach providers, only a portion of which were accepted. Similarly, REACH’s care coordination data indicated that outreach workers discussed shelter placements with 491 individuals, more than eight times the number of shelter referrals that were entered into HMIS.

Because current entries into HMIS reflect such a small portion of the overall work of homelessness outreach agencies, KCRHA plans to explore different data reporting requirements when homelessness outreach contracts are rebid.

### **Q3 2022 Outcomes**

#### **Referrals and Enrollments**

In Q3, the HOPE Team made 614 referrals (duplicated) to shelter, representing 542 unique individuals. This represents an increase of 156 referrals, or 34%, compared to Q2 2022. Year-over-year this represents an increase of 134% compared to Q3 2021. These referrals were made in collaboration with 17 outreach providers, from 92 encampment sites, and based on 1,258 shelter recommendations (duplicated). This was an increase from last quarter when the HOPE Team received 1,170 recommendations. In Q3, 100% HOPE Team referrals were to 24/7 enhanced shelters (76% of total referrals) or tiny houses (24% of total referrals).<sup>1</sup>

For shelter referrals where data on race was collected (83% of Q3 referrals), 54% were made to people experiencing homelessness who are Black, Indigenous, or People of Color (BIPOC). As evidenced by the [2022 Point in Time \(PIT\) Count](#) and the [Homelessness Management Information System \(HMIS\) data](#), such individuals are disproportionately represented in King County’s homeless population. According to the 2022 PIT, BIPOC groups comprise roughly 52% of unsheltered individuals.

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<sup>1</sup> Types of shelter are defined as follows:

- **Enhanced Shelter** - shelters with 24/7-hour service and that provide many services such as meals, hygiene services, storage, and case management staffing to support individuals in leaving shelter for permanent housing.
- **Tiny House Village** - offer temporary accommodations for people who are living unsheltered and include small living structures, community kitchens, hygiene services, and case management to support exits to permanent housing.

In Q3, 250 individuals were confirmed by HSD as enrolling into the shelter they were referred to, an increase of 155% year-over-year. This represents an enrollment rate of 46.1% for the quarter, an increase compared to 41% in Q2. As mentioned in previous reports, shelter enrollment tracking is challenging due to the data match required between the HOPE Team and HMIS.<sup>2</sup> Individuals need to opt-in to share personally identifiable information with HMIS, which results in approximately 25% of shelter enrollments having anonymized data. The anonymized data makes it challenging to fully reconcile with HOPE Team referrals. KCRHA plans to develop a data reconciliation process to address the above-mentioned gap. Until such a process is developed, the enrollment data provided by HSD is likely to remain a significant undercount.

## **Operations**

During Q3, HSD and the HOPE Team began work to improve data collection efforts. While the HOPE Team tracks offers of shelters made and accepted referrals, data on declined offers of shelter is not currently captured. System Navigators will begin tracking the reasons for declined offers of shelter in Q4. Beyond that, HSD is seeking the input of local governments and academia to further discuss data collection and related opportunities for collaboration. HSD hopes that this will allow us to better understand our clients and improve service delivery.

Additionally, the HOPE Team will sunset its original role and function at the end of the year and begin efforts to restructure the responsibilities of its members to align with the Unified Care Team's (UCT) new geographically based strategy. As previously mentioned, the UCT will work to leverage several geographically based teams to implement an array of solutions that go beyond encampment removals. These efforts are already underway as HSD staff are actively facilitating several regional outreach huddles in coordination with KCRHA and service providers across the city. The UCT expects that this new strategy will allow teams to build stronger relationships with community, housed and unhoused neighbors, outreach teams, councilmembers, and businesses within the region to deliver better results for all Seattle residents.

## **Key Outreach Activity**

Through the facilitation of a downtown outreach coordination huddle with KCRHA and outreach providers, the HOPE Team efforts of note in Q3 included work downtown in the 3<sup>rd</sup> Avenue vicinity. Over the course of Q3, 76 referrals to shelter were made at various encampments in this neighborhood. Sixty-three of these referrals were to enhanced shelter and 13 referrals were to tiny house villages (THVs). In addition to these activities, the UCT continues to coordinate efforts downtown and in the Chinatown-International District with KCRHA's System Advocates and their [Partnership for Zero](#) initiative.

Other significant outreach coordination efforts of note were in North Seattle. These include efforts in the vicinity of Stone Ave N and N 125<sup>th</sup> St (19 referrals – 11 to enhanced shelter, 8 to THVs); N 96<sup>th</sup> St & Aurora Ave N (18 referrals – 11 to enhanced shelter, 7 to THVs); and along the Interurban Trail (12 referrals – 7 to enhanced shelter, 5 to THVs). All these locations included weeks of outreach coordination in partnership with KCRHA and outreach providers in advance of scheduled UCT encampment removals.

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<sup>2</sup> The match between HOPE Team and HMIS data is imperfect for several reasons. This includes approximately 25% of enrollments lacking personally identifiable information (PII) due to the HMIS data share mentioned above; individuals providing different PII (such as a name) to the HOPE Team or HMIS; individuals enrolling at a shelter over 48 hours after a referral is made; or individuals enrolling at a different shelter than which they were referred.

CC: Deputy Mayor Tiffany Washington  
 HSD Acting Director Tanya Kim

**For additional detail on Q3 2022 results, please see the Table below:**

Reporting Element	Q3		
Total Number of Referrals to Shelter, Duplicated	614 (437 HOPE Team System Navigator Initiated Referrals)		
Total Number of Referrals to Shelter, Unduplicated	542		
Number and Percentage of Shelter Referral Demographics	<b>Gender</b>	<b>Number</b>	<b>Percentage (%)</b>
	Male	433	71
	Female	161	26
	Trans Female	3	<1
	Trans Male	1	<1
	Gender Non-Conforming	2	<1
	Data Not Collected	14	2
	Refused	0	0
	<b>Race</b>		
	American Indian or Alaska Native	17	3
	Asian	18	3
	Black/African American	185	30
	White/Caucasian	233	38
	Multiracial	52	8

	Hawaiian/Other Pacific Islander	7	1
	Data Not Collected	102	17
	<b>Ethnicity</b>		
	Non-Hispanic/Non-Latino	457	74
	Hispanic/Latino	8	1
	Data Not Collected	149	24
Breakdown of Referrals to Specific Shelter-Types by Quarter	<b>Shelter Type</b>	<b>Referrals</b>	<b>Percentage (%)</b>
	Enhanced Shelter	464	76
	Tiny House Village	150	24
Number of Enrollments to the Referred Shelter Within a 48-Hour Period Following Referral, Duplicated	268		
Number of Enrollments to the Referred Shelter Within a 48-Hour Period Following Referral, Unduplicated	250		

# Third Quarter Update

## HOM-018-A-001

January 18, 2023

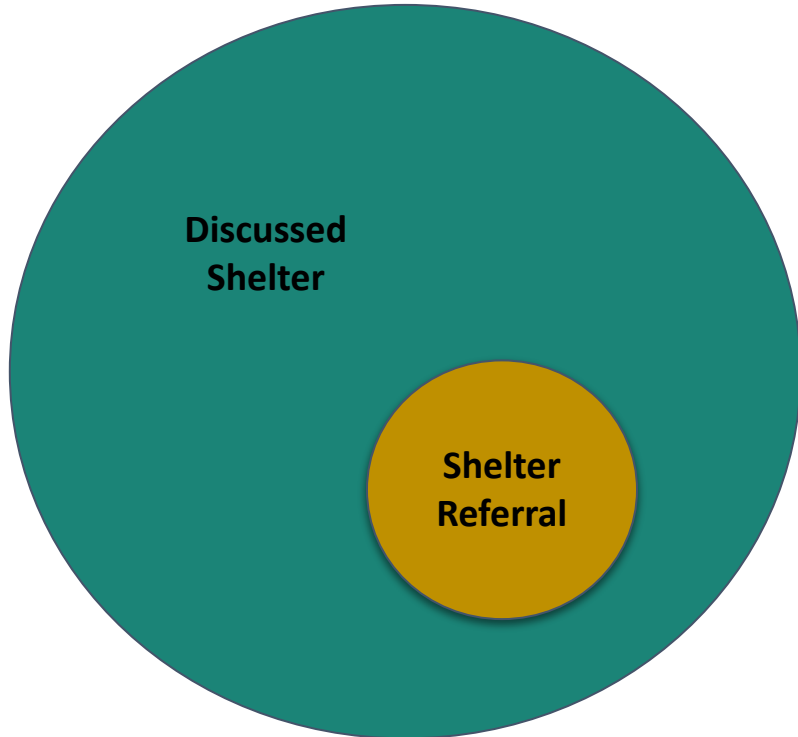


**KCRHA**  
King County Regional Homelessness Authority

# HMIS Data on Outreach Agencies

<b>New Households Enrolled</b>	<b>Total Enrollment</b>	<b>Referrals to Shelter</b>	<b>Referrals to Authorized Encampment</b>	<b>Exits to Permanent Housing</b>	<b>Average HMIS Consent Rate</b>
512	1786	380	38	18	83%

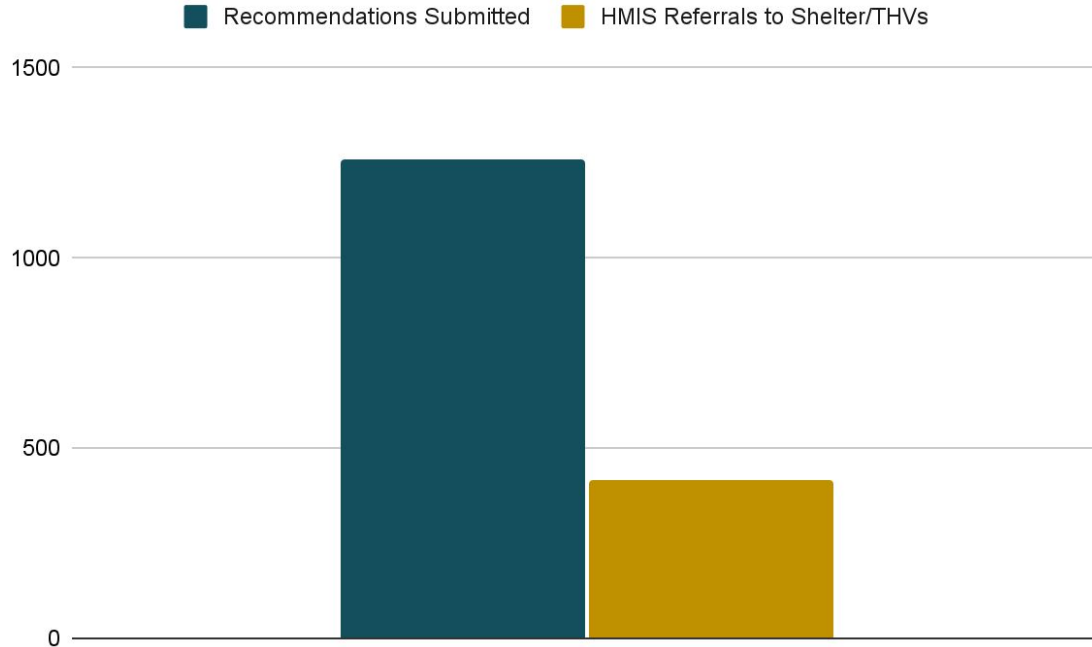
# Agency Specific Data



Outreach agencies undertake substantial work that is not reflected in HMIS data.



# Insufficient Shelter Availability



# Thank You

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