

January 10, 2023

MEMORANDUM

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

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 meeting¹.

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.

¹ 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

MEMORANDUM

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

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:

Element	Description
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.