



SEATTLE CITY COUNCIL

Legislative Summary

Res 31768

Record No.: Res 31768

Type: Resolution (Res)

Status: Adopted

Version: 2

Ord. no:

In Control: City Clerk

File Created: 08/07/2017

Final Action: 09/12/2017

Title: A RESOLUTION relating to funding for construction and long-term operations and management of public spaces on the Central Waterfront; reaffirming the overall funding plan for the Central Waterfront Improvements and the principles that will guide implementation of these improvements; outlining the process for formation of a Local Improvement District and completion of a fundraising plan for philanthropy; and identifying a framework for an agreement with the non-profit Friends of Waterfront Seattle to operate and manage public spaces on the Central Waterfront.

Notes:

Date
Filed with City Clerk: 9/12/2017

Mayor's Signature: 9/12/2017

Sponsors: Juarez

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: adam.schaefer@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published: Yes No

| Ver- sion: | Acting Body: | Date: | Action: | Sent To: | Due Date: | Return Date: | Result: |
|---------------|-------------------------------|------------|--|---|-----------|-----------------|---------|
| 1 | Mayor | 08/15/2017 | Mayor's leg transmitted to Council | City Clerk | | | |
| 1 | City Clerk | 08/15/2017 | sent for review | Council President's Office | | | |
| 1 | Council President's Office | 08/18/2017 | sent for review | Parks, Seattle Center, Libraries, and Waterfront Committee | | | |

Action Text: The Resolution (Res) was sent for review. to the Parks, Seattle Center, Libraries, and Waterfront Committee

Notes:

Legislative Summary Continued (Res 31768)

- 1 Full Council 09/05/2017 referred Parks, Seattle Center, Libraries, and Waterfront Committee
- 1 Parks, Seattle Center, Libraries, and Waterfront Committee 09/07/2017 adopt as amended Pass
- Action Text:** The Committee recommends that Full Council adopt as amended the Resolution (Res).
- Notes:**
- In Favor: 2 Chair Juarez, Vice Chair Bagshaw
- Opposed: 0
- 1 Full Council 09/11/2017 adopted Pass
- Action Text:** The Resolution (Res) was adopted by the following vote, and the President signed the Resolution:
- Notes:**
- In Favor: 8 Councilmember Bagshaw, Councilmember Burgess, Councilmember González , Council President Harrell, Councilmember Johnson, Councilmember Juarez, Councilmember O'Brien, Councilmember Sawant
- Opposed: 0
- 2 Mayor 09/12/2017 Signed
- 2 City Clerk 09/12/2017 submitted for Mayor's signature Mayor
- 2 Mayor 09/12/2017 returned City Clerk
- 2 City Clerk 09/12/2017 attested by City Clerk
- Action Text:** The Resolution (Res) was attested by City Clerk.
- Notes:**
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CITY OF SEATTLE

RESOLUTION 31768

A RESOLUTION relating to funding for construction and long-term operations and management of public spaces on the Central Waterfront; reaffirming the overall funding plan for the Central Waterfront Improvements and the principles that will guide implementation of these improvements; outlining the process for formation of a Local Improvement District and completion of a fundraising plan for philanthropy; and identifying a framework for an agreement with the non-profit Friends of Waterfront Seattle to operate and manage public spaces on the Central Waterfront.

WHEREAS, in January 2011, the Seattle City Council (Council) adopted Resolution 31264, creating the Central Waterfront Committee (CWC) to oversee development of the waterfront conceptual design and framework plan, 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 stated the City's support of the Central Waterfront Concept Design and Framework Plan based on broad and inclusive public engagement over two years; and

WHEREAS, Resolution 31399 endorsed a Central Waterfront Strategic Plan (Strategic Plan), which established a funding plan and set of action steps to implement improvements to Seattle's Central Waterfront, including endorsement of a funding strategy which called for leveraging a mix of public, private, and philanthropic sources to achieve the public's vision for the Central Waterfront; and

WHEREAS, through Resolution 31399 Council recognized that other cities had successfully established relationships with non-profit organizations to provide consistent, strong leadership to realize visionary plans for complex signature public spaces; and

1 WHEREAS, the Strategic Plan recommended that the City develop long-term relationships with
2 third-party, non-profit entities to perform a range of services, including operations,
3 maintenance, and programming to provide a safe, accessible, and high-quality parks
4 experience to the public; and

5 WHEREAS, via Resolution 31399, the City supported the creation of the non-profit Friends of
6 Waterfront Seattle (Friends) to advocate for implementing the Central Waterfront
7 Framework Plan and Concept Design;

8 WHEREAS, Friends was incorporated in 2012 to champion the “Waterfront Seattle” Program
9 through outreach initiatives, to raise the funds necessary to complete its construction and
10 to ensure the Central Waterfront Improvement Program’s long-term success as a vibrant
11 public destination through ongoing maintenance and programming; and

12 WHEREAS, in March 2014 the Central Waterfront Committee, citing other cities’ successful
13 arrangements with non-profit organizations in managing public spaces, recommended the
14 City consider a direct contract with Friends to perform a range of services for the
15 renovated Central Waterfront, including operations and management; and

16 WHEREAS, in August 2014, Seattle voters approved creation of the Seattle Park District, and
17 funds collected by the District pay for operations and maintenance of Seattle parks,
18 including an annual \$3.5 million budget dedicated to operation and maintenance of the
19 Central Waterfront parks and public spaces; and

20 WHEREAS, in 2015, Seattle City Council adopted Ordinance 124865 authorizing execution of
21 an Agreement for Activation and Programming of Westlake Park and Occidental Square
22 Park, which transferred programming, management, concessions, and most permitting

1 responsibilities of Westlake Park and Occidental Square Parks to the Downtown Seattle
2 Association (DSA); and

3 WHEREAS, since the signing of that Agreement, the DSA has partnered with Friends, Seattle
4 Parks Foundation, Alliance for Pioneer Square, and the Parks and Recreation Department
5 to successfully demonstrate that non-profit partnerships for programming and activation
6 of public spaces can increase access, vibrancy, and safety for all users; and

7 WHEREAS, since July 2015, Friends has been working with the City to implement a pilot
8 program to provide programming and activation along certain sections of the Central
9 Waterfront; and

10 WHEREAS, in September 2016, the City and Friends entered into a joint funding agreement to
11 construct the Pier 62/63 Phase 1 Rebuild, in which Friends committed to contributing \$8
12 million of the \$29 million cost; and

13 WHEREAS, in the Pier 62/63 Phase 1 Rebuild joint funding agreement, the City and Friends
14 indicated their intent to enter into an Operating Agreement for the Operation and
15 Maintenance of the renovated Piers; and

16 WHEREAS, the City and Friends seek to develop a partnership to provide operations and
17 management services to the Central Waterfront in order to protect the investment of
18 public and private individuals and organizations; NOW, THEREFORE,

19 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE**
20 **MAYOR CONCURRING, THAT:**

21 Section 1. Central Waterfront Guiding Principles. The City of Seattle (City)
22 intends to complete the planned improvements to the Central Waterfront consistent with
23 the Central Waterfront Guiding Principles (Guiding Principles) endorsed in Resolution 31264,

1 creating a public asset that engages the entire city, remains focused on public uses and activities
2 that attract people from all walks of life, and provides a “waterfront for all.” The City’s funding
3 plan and subsequent efforts to complete the Central Waterfront improvements will be guided by
4 the Guiding Principles called for in that resolution. The City expects outcomes from the Central
5 Waterfront Improvements to be consistent with the City’s Race and Social Justice Initiative, such
6 as:

- 7 • improved public spaces that encourage use by people of all ages, incomes, and
8 abilities, and support free expression; and
- 9 • public access to high-quality parks and recreation, enhanced by regular
10 programming, concessions that support the public’s use and enjoyment of the Central
11 Waterfront, and free public access to civic and cultural events; and
- 12 • living wage jobs associated with operating and maintaining waterfront parks and
13 public spaces for local citizens regardless of their age, ethnicity, gender, or sexual
14 orientation.

15 Section 2. Overall Funding Plan. The City Council (Council) reaffirms its endorsement of
16 an integrated funding plan for the waterfront which leverages a range of funding sources to pay
17 for the Central Waterfront Improvement Program. This plan, previously endorsed in Resolution
18 31399, includes a Local Improvement District (LID) for certain components of the Central
19 Waterfront Improvement Program to be funded by property assessments to be levied upon
20 benefited properties, philanthropic donations raised by the Friends of Waterfront Seattle
21 (Friends), and substantial investments from the City and State of Washington (State). Since that
22 time, City commitments to the Central Waterfront Improvement Program have been reflected in
23 the City’s Capital Improvement Plan (CIP), and State commitments have been formalized in a

1 Funding Agreement between the City and the State that was approved by Council and executed
2 on August 2, 2017.

3 Section 3. Local Improvement District. The City intends to create an LID in 2018 to fund
4 a portion of the Central Waterfront Improvement Plan. The LID assessment amounts will be
5 determined through the development of a special benefit analysis, in which a licensed real estate
6 appraiser or appraisers will undertake an analysis that identifies the special benefit to real estate
7 in the downtown area associated with the improvements included with the LID. The LID will
8 assess downtown property owners for a portion of the special benefit.

9 The Office of the Waterfront (OW), the Department of Finance and Administrative
10 Services (FAS) and the City Clerk's Office will utilize a review process that will provide
11 affected property owners the opportunity for review and comment of the proposed plans, as
12 described in Attachment A.

13 Section 4. Philanthropic Campaign Plan. Since adoption of the Waterfront Strategic Plan
14 in 2012, Friends has worked to lay the foundation for a successful capital campaign to raise \$100
15 million in private philanthropy to help fund the Central Waterfront Improvement Program.
16 Friends is committed to raising these funds and is confident that capacity and interest are in place
17 in the donor community in the Seattle region to allow the Friends to achieve its goal. Friends and
18 the City have entered into an early campaign for the Pier 62 Rebuild, and Friends has exceeded
19 its milestones for fundraising for that initial project and have raised \$5.1 million as of July 31,
20 2017.

21 The City and Friends recognize that philanthropy and the LID leverage each other and
22 that funding milestones for each are mutually reinforcing. Friends' fundraising efforts to date
23 have confirmed that Friends' ability to meet the overall goal for philanthropic support depends

1 upon (i) confidence that the Central Waterfront capital improvements will be funded as described
2 in Section 2 above, including the funding identified in the Funding Plan to be provided by the
3 LID, (ii) the full scope of improvements being completed by the City, and (iii) sufficient funding
4 for operations and maintenance retained over time consistent with the current plan. Similarly, the
5 City's successful formation of the LID is supported by a strong early indication of a successful
6 philanthropic capital campaign with indications that the total philanthropic goal of \$100 million
7 will be met over time. Subject to these conditions and prior to the introduction of the LID
8 formation ordinance to Council, Friends will submit to the City Budget Director for the City's
9 approval a Fundraising Plan for the \$100 million philanthropic campaign anticipated in the
10 Funding Plan. The Director of the OW and the City Budget Director will inform the Mayor and
11 Council regarding the results of their review of the Fundraising Plan and its approval or
12 rejection. The parties will work together to ensure the Fundraising Plan, including a pledge and
13 payment schedule, is realistic, has clear goals and milestones, and provides sufficient funding to
14 meet the cash flow needs of construction. The parties currently anticipate that this plan will
15 include initial pledges representing no less than 25% of the total amount of Friends' fundraising
16 commitment. The parties anticipate these pledges will be confirmed prior to the formation of the
17 LID, with the City Budget Director having opportunity to review these commitments. These
18 initial pledges will include funds raised as part of the early campaign for the Pier 62 Rebuild.
19 The City Budget Director will monitor progress on the Fundraising Plan and inform the Mayor
20 and Council of the status of the fundraising on a regular basis. OW will coordinate with Friends
21 to support its implementation and administration of the Fundraising Plan.

22 Section 5. Partnership for Management and Operations. The Central Waterfront Strategic
23 Plan, endorsed by Council through Resolution 31399 in 2012, cited the benefits other cities have

1 found in collaborating with nonprofit entities for the operations and management of urban parks
2 and public spaces. In that same resolution, the City supported the creation of the non-profit
3 Friends of Waterfront Seattle to advocate for implementing the Central Waterfront Framework
4 Plan and Concept Design. In 2012, Friends was created as a 501(c)(3) non-profit organization.
5 Since then, the City has further formalized a relationship with Friends through contractual
6 agreements for outreach, operating of the Waterfront Space, programming and activation on the
7 Central Waterfront, and the joint funding of Pier 62/63.

8 Building on these past actions, the City recognizes that partnerships with non-profit
9 organizations like Friends will support the success of the Central Waterfront as a public space,
10 provide opportunities to enhance daily maintenance, provide special programming, and expand
11 access to the waterfront park consistent with the City's Guiding Principle to create a "waterfront
12 for all."

13 To this end, the City intends to work with Friends to reach an agreement for the long-
14 term provision of high quality operation and management services commensurate with the
15 quality of programming envisioned in the public planning for the waterfront and as reflected in
16 the improvements included in the Central Waterfront Improvement Program. The City and
17 Friends have developed a relationship in the stewardship of waterfront parks and open spaces
18 which supports an overall role for Friends in overseeing operations and management of the
19 finished park. OW and the Parks and Recreation Department (SPR) will work towards an
20 agreement to formalize Friend's role as the primary non-profit operation and management
21 provider for the Central Waterfront Improvement Program in the form of an Operating
22 Agreement. It is anticipated that this Agreement will include the provision of maintenance by a

1 dedicated and consistent team of SPR staff, funded through a \$3.5 million Seattle Park District
2 (District) allocation.

3 Section 6. Future Legislative Actions. In order to advance the final elements of the
4 Waterfront Funding Plan, including forming an LID and developing a partnership for operations
5 and management between the City and Friends, the Council understands that staff from OW,
6 working in collaboration with its partners and other City departments, plan to submit the
7 following items for legislative action:

- 8 1. LID Formation. A series of legislative actions will be necessary to form the LID. The
9 City intends to submit the following, commencing in 2018: a resolution stating
10 Council's intent to form the LID; an ordinance to form the LID that will include a
11 preliminary LID assessment roll; a resolution setting assessment roll hearing date(s);
12 and a subsequent ordinance to confirm and levy the final LID assessment roll. OW
13 and FAS intend to submit all necessary legislation to support the timing of an LID
14 formation and assessment roll confirmation as outlined in Attachment A.
- 15 2. Fundraising Plan. In 2018, a legislative action setting forth the manner by which the
16 City will accept the payments made by Friends in accordance with the pledge and
17 payment schedule outlined in the Fundraising Plan to be submitted to the City Budget
18 Director for the City's approval.
- 19 3. City/Friends Operating Agreement: In 2018, OW, SPR and Friends will jointly
20 develop a long-term agreement for operating and maintaining park elements of the
21 Central Waterfront. The Operating Agreement, which will be formalized by the City
22 through an ordinance, is anticipated to include the following elements:

1 a. Maintenance. A scope of work that identifies baseline maintenance to be
2 provided by the appropriate City department as well as enhanced maintenance
3 to be provided by a dedicated and consistent team of SPR staff working in
4 partnership with Friends. OW, SPR, and Friends will jointly develop this
5 scope of work and a staffing plan. It will include the following, subject to
6 bargaining where necessary:

- 7 i. A scope and level of service for all aspects of the new waterfront
8 public spaces jointly agreed upon by Friends, OW and SPR.
- 9 ii. Staffing levels to support maintenance of waterfront public spaces,
10 utilizing the \$3.5M in dedicated baseline funding from the District,
11 subject to future review and adjustment to reflect actual costs and
12 inflation. All staff funded by the District will be full City employees
13 and receive all compensation, benefits, and representation accorded to
14 City staff in comparable positions. Friends will identify and commit to
15 fill key management positions necessary to successfully oversee
16 maintenance operations, including an Operations Director.
- 17 iii. Protocols for Friends to request work changes and provide SPR
18 direction in a way that allows for timely maintenance and meets the
19 agreed upon level of service.
- 20 iv. Protocols for Friends to provide input into the selection of SPR staff
21 and request staffing changes, and to integrate volunteer opportunities
22 that supplement park operations.

1 v. Protocols for work locations, conditions, and attire which achieve the
2 goal of a dedicated waterfront maintenance team under the leadership
3 of Friends, including training as appropriate to perform the necessary
4 duties at the agreed upon level of service.

5 b. Programming and Activation. To successfully provide a strong and diverse
6 activation and programming schedule, protocols will be established that allow
7 Friends to permit and program waterfront spaces, host free public events, and
8 manage concessions. Friends shall be required to host a minimum number of
9 free public events each year in partnership with community-based
10 organizations across the city. Any event revenues shall support park
11 operations and programming. Any permit requests related to free speech
12 demonstrations will be handled in a similar manner as in the SPR and
13 Downtown Seattle Association (DSA) contract for the operations and
14 management of Westlake and Occidental parks with Friends managing all
15 permitting requests except for those relating to free speech demonstrations,
16 which would be managed by SPR.

17 c. Phasing. Allowance for phased operation and management of elements of the
18 Waterfront Improvement Program as they are finished.

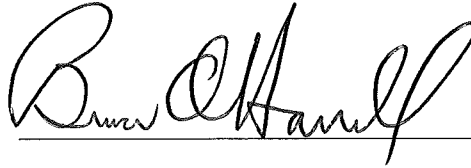
19 d. Budget. An integrated funding plan for operations of the park spaces that
20 includes, but is not limited to, the District's \$3.5 million budget allowance for
21 the Central Waterfront Improvement Program; revenue generated and
22 expended by Friends through concessions, permitting, and special events; and
23 private fundraising by Friends.

- 1 e. Accountability. A set of annual reporting requirements that provide
2 accountability and information to the City and the public including: an annual
3 report to Council; data and performance metrics on the level of public use and
4 enjoyment of waterfront public spaces; and an accounting of funds and
5 leveraging through partnerships.
- 6 f. City Oversight and Participation. Participation by professional City staff in
7 Friends organization and operations including two (2) permanent ex-officio
8 seats on Friends' Board of Directors, one to be the Superintendent of SPR and
9 one to be the Director of OW (or Mayor's designee).
- 10 g. Agreement Review. A term of no less than five (5) years, at which point both
11 parties will review and adjust the Operating Agreement as necessary to ensure
12 it meets the goals as stated therein.
- 13 h. Oversight Committee. Creation of an Oversight Committee concurrent with
14 the opening of the waterfront park improvements that will review status of
15 park maintenance, daily programming, special events, public safety, and other
16 operational aspects to advise the Council, the Mayor, SPR, and Friends on a
17 regular basis.
- 18

1 Adopted by the City Council the 11th day of September, 2017,

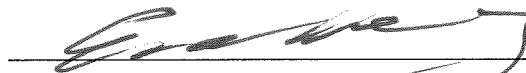
2 and signed by me in open session in authentication of its passage this 11th day of

3 September, 2017.

4 

5 President _____ of the City Council

6 The Mayor concurred the 12th day of September, 2017.

7 

8 Edward B. Murray, Mayor

9 Filed by me this 12th day of September, 2017.

10 

11 Monica Martinez Simmons, City Clerk

12 (Seal)
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18 Attachments:

19 Attachment A – Timeline for LID Formation and Assessment Roll Confirmation