WATERFRONT FUNDING PLAN AND PARTNERSHIP FOR MANAGEMENT AND OPERATIONS

August 10, 2017

PARKS, SEATTLE CENTER, LIBRARIES, AND WATERFRONT COMMITTEE
TODAY’S AGENDA

• Background
• Overview of proposed resolution
• Funding plan
• Local improvement district
• Philanthropy
• Operations and maintenance
## BACKGROUND

<table>
<thead>
<tr>
<th>Year</th>
<th>Action</th>
<th>Purpose</th>
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<tbody>
<tr>
<td>2009</td>
<td>Ordinance 123142</td>
<td>• Established Central Waterfront Partnerships Committee</td>
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<td>2012</td>
<td>Resolution 31399</td>
<td>• Endorsed Waterfront Program Strategic Plan, established funding plan, including local improvement district and philanthropy</td>
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<td>• Acknowledged role of non-profit conservancies in other cities, recommends City pursue similar arrangement for Waterfront Program</td>
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<td>2014</td>
<td>Letter</td>
<td>• Letter from Central Waterfront Committee to City recommending Friends for operations and management</td>
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<td>2015</td>
<td>Ordinance 118478</td>
<td>• Authorized execution of Westlake/Occidental Park agreement between Downtown Seattle Association and Parks Department</td>
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<td>2015-2017</td>
<td>Agreements</td>
<td>• Successful operating agreements between City and Friends to program and activate waterfront spaces</td>
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<td>2016</td>
<td>Ordinance 125248</td>
<td>• Authorized joint funding agreement with non-profit partner Friends of Waterfront Seattle to finance Pier 62/63 Phase 1 Rebuild</td>
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OVERVIEW OF PROPOSED RESOLUTION

• Reaffirm final elements of funding plan
• Create transparency for local improvement district (LID) formation process
• Identify milestones for Friends of Waterfront Seattle philanthropic campaign plan and early pledge
• Create framework for operations and management with Friends of Waterfront Seattle
FUNDING PLAN

- Philanthropy - $100M
- Local Improvement District (LID) - est. $200M
- State funding - $193M
- City funding - $195M

TOTAL = $688M

*Does not include WSDOT-funded Marion Street Pedestrian Bridge over Alaskan Way (pending future agreement)
LOCAL IMPROVEMENT DISTRICT (LID)

• Assessment of properties that will receive special benefit
• Council forms LID through prescribed legislative process
• Robust outreach to ensure transparent and fair process
• Resolution affirms City will pursue LID and is clear about timeline and opportunities for property owner and stakeholder input
LID PROCESS OVERVIEW

**PROCESS**

1. FEASIBILITY STUDY
2. SPECIAL BENEFIT STUDY
3. LID FORMATION
   - Intent to form (Council vote)
   - Notification and hearings
   - Formation (Council vote)
   - 30-day protest period
   - 30-day appeal period
4. ASSESSMENT ROLL
   - Notification and hearing
   - Confirmation (Council vote)
   - 10-day appeal period

**OUTREACH**

1. PROPERTY OWNER AND STAKEHOLDER BRIEFINGS
2. SPECIAL BENEFIT STUDY RESULTS
3. LID FORMATION PROCESS AND WAYS TO PARTICIPATE
4. ONLINE PORTAL WITH ESTIMATED ASSESSMENTS

**2017**

**2018**

**2019**

**2020**

COLLECTIONS BEGIN (timing TBD)
## LID FORMATION STEPS

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<tr>
<td><strong>SPRING 2018</strong></td>
<td>• Council announces intent to form (by resolution)</td>
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<td>o Formal notice of public hearing</td>
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<td>o Public hearing</td>
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<td><strong>FALL 2018</strong></td>
<td>• Council establishes LID (by ordinance)</td>
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<td>o 30-day protest period</td>
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<td>o 30-day appeal period</td>
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<tr>
<td><strong>EARLY 2019</strong></td>
<td>• Assessment roll</td>
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<td>o Formal notice of public hearing</td>
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<td>o Public hearing</td>
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<tr>
<td></td>
<td>• Council confirmation of assessment roll</td>
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PHILANTHROPHY

• Friends of Waterfront Seattle: $100 million commitment
• Pier 62 rebuild campaign
  o $5.1 million of $8 million raised already
• Resolution calls for Friends to provide the following prior to LID formation:
  o Philanthropic campaign plan with pledge/payment schedule
  o Initial $25 million pledge (inclusive of Pier 62 rebuild campaign)
OPERATING AGREEMENT

• Maintenance approach
  o Baseline: City departments
  o Enhanced: Parks/Friends agreement
    ▪ All work performed by City employees
    ▪ Negotiated level of service
    ▪ Collaborative approach

• Programming and activation

• Timing
  o 2018 – operating agreements complete
  o 2019 – Pier 62/63 operations begin
  o 2023 – full park operations begin
OPERATING AGREEMENT

• Budget
  o Seattle Parks District: $3.5 million annually dedicated to Parks staff
  o Friends of Waterfront Seattle: anticipated $1+ million annually

• City oversight and participation
  o Annual report to Council
  o Two City ex-officio seats on Friends’ board
  o Stakeholder oversight committee

• Agreement review
  o Term of no less then five years, joint review
QUESTIONS?