



**MEETING NOTES
CENTRAL WATERFRONT
FINANCE & PARTNERSHIPS/LONG TERM STEWARDSHIP SUBCOMMITTEES**

**JOINT MEETING #2 June 14th, 2011
3:30 — 5:00 PM Room #1610, Seattle Municipal Tower**

Meeting Attendees

Subcommittee Members & Advisors

- Gerry Johnson, Co-Chair
- John Nesholm, Co-Chair
- Carol Binder, Co-Chair
- Ron Turner
- Gary Glant
- Bob Klein
- Patrick Gordon
- Catherine Stanford
- Rollin Fatland
- Thatcher Bailey
- John Hinke
- Kate Joncas
- William Justen
- Ben Franz-Knight
- Catherine Stanford

Other Central Waterfront Committee Members

- Maggie Walker
- Charley Royer
- John Nesholm
- Mark Reddington

City Staff & Consultants

- Marshall Foster
- Steve Pearce
- Hannah McIntosh
- Nathan Torgelson
- Paul Elliot
- Norm Schwab
- Bob Chandler
- Stephanie Brown
- Mike Merrit
- Susan Mueller

Committee Business

- **Joint Subcommittee Co-Chairs:**
 - The Long Term Stewardship Subcommittee has extended advisor invitations to K. Joncas and T. Gallagher.

- If Subcommittee members think of anyone else who might be of use, please let us know and we'll consider extending an invitation.

Concept Design Schedule (June 2011—June 2012)

*Committee reviewed and referenced documents including: *Draft Waterfront Seattle Timeline*.

- **City Staff:**
 - We're starting to map out a timeline of the next twelve months that looks at the design process and implementation planning and how they fit together at the end of the concept design phase.
 - Categories for the concept design phase (June 2011—June 2012) include:
 - Design: Concept Design/Framework Plan First Iteration, Second Iteration, Third Iteration & Final Concept Design/Framework Plan, Including Art Plan.
 - Implementation Planning: Preliminary Phasing Plan, Final Project(s) Definition, Cost Estimate, Final Phasing Plan, Baseline Schedule, Finance Strategy & Strategic Planning Support.
 - Central Waterfront Committee: Ongoing Oversight & Strategic Planning.
- **Joint Subcommittee Co-Chairs & Members:**
 - We need to think about when some of these agreements should be in place; schedules of other projects that may affect our work should also be identified.
 - For example, if the ferry replaces the dock based on their current design, we could lose an opportunity to create one of J. Corner's open spaces, or have to re-develop the dock again.
- **Other Committee Members:**
 - There are several design elements that will influence financing; maybe at the next iteration we create a sketch analysis of the financing and phasing possibilities so we can see how it all fits together.
 - In some ways, this timeline defines the beginning process that goes on for years afterwards, and it's important that we recognize that.
- **City Staff:**
 - City Council will take a look at this schedule briefly on Thursday while J. Corner is presenting; the focus of the presentation is on design, but this will help contextualize the body of work.
 - We should refresh the work plans for both Subcommittees so we have a sense for when meetings are coming and the schedule for other committee work.

ACTION: City Staff and Subcommittee Co-Chairs to review and refresh work plans.

Review/Debrief from May 10th Candace Damon Presentation & May 19th Public Presentation at Bell Harbor

May 10th C. Damon Presentation

- **Joint Subcommittee Co-Chairs:**
 - In the previous meeting with C. Damon, important points that resonated with the Subcommittees included:
 - Initial capital is easier to generate than long-term operating funds.
 - If there is a downfall for a project, it's generally tied to operations.
 - Long-term maintenance can be funded by real estate or surrounding development coupled with a corresponding incremental tax fee on that development.

- Projected long-term stewardship costs are 7-10% percent of initial capital costs and we need to be mindful of those.
 - Major sources of capital and long-term operations have been driven by development opportunities and these are created in conjunction with, or stimulated by, the original initial capital investment in the public amenity.
- **City Staff:**
 - We have limited Tax Increment Financing options in Washington, so we don't have a great mechanism in place to capture future improvements.
- **Joint Subcommittee Co-Chairs & Members:**
 - Legislation just adopted a new iteration of Tax Increment Financing associated with transfer of development rights from working landscapes, however, it's about as far as you can go without a constitutional amendment.
 - The LID will be a challenging sell; the more we can show that we've done our homework surrounding this funding mechanism, the better.

May 19th Presentation

- **City Staff:**
 - The feedback we've received about the event has been overwhelmingly positive, as was the press coverage.
- **Advisors:**
 - Having 1,000 people attending these events, from the beginning, is a huge base to start off with for capital and long-term support.

Initial Thoughts About Programming

Types of Development

- **Joint Subcommittee Co-Chairs:**
 - It's important to think about the power of this asset with respect to increasing the values of adjoining properties and enabling property owners to harness that value in a way that contributes to the initial capital or, more importantly, to the long-term maintenance.
 - Part of what we have to do is help the public understand the development potential; we'd be doing a significant disservice to the project if we don't continue to discuss this topic.
 - To the extent that we're going to create an attraction that will draw use, there's no reason why commercial activity can't be successful and support the maintenance and operations.
 - There is a lot of potential surrounding ideas of tucking restaurants under folds; that's a great potential source of funding.
 - Pretty clearly the aquarium will be a partner entity and how their project unfolds would create an opportunity for phasing.
- **City Staff:**
 - We need to go far enough so we have the framework there that will allow development of the park and private development to happen in a way that fits into the entire vision.

- **Advisors:**
 - In the examples we saw that didn't work; people were not going far enough to recognize the value of these parks they're creating around the country.
 - Development is a complicated word—the public may think “20 story condo,” when you mean restaurant and bike shop; recognizing the value of this development is integral to the design.
 - It is important to recognize that there is limited potential in the Central Waterfront for commercial or residential development. There are some sites, but not many.

- **Joint Subcommittee Members:**
 - The City plan to-date is to have density decrease as you get down to the Waterfront and that issue has to be addressed up front.
 - The development concepts seem like they're not yet specific enough—do we need 27 restaurants and 14 art galleries? Successful waterfronts around the world all have these.

- **Other Committee Members:**
 - When the architect talks about tides and folds, there's a lot of symbolism there; it suggests things are happening up the streets and along the ways.
 - These streets and spaces fall within zones, and that creates additional activation and commercial opportunities.
 - We should start connecting people, places and opportunities with a diagram; that's where some of the opportunities for financing and partnerships could come from.

Pier 48

- **City Staff:**
 - Initial thoughts for Pier 48 are centered on an event space that replaces the “Nights at the Pier” concerts that happened at Pier 62; this offers a strong potential connection to Pioneer Square.
 - One initial concern regarding Pier 48 is that it's remote—will there be enough activity to populate the park when there are no concerts?
 - There are many opportunities for activity generating uses in certain areas, but it gets harder as you venture farther south.

- **Advisors:**
 - This space needs a public development authority of some sort, including entertainment that goes on every day of the week.
 - Also, if you don't coordinate with the stadiums, there will be an issue with parking—we're losing 1,000 stalls under the viaduct and if this is a regional project, we need parking.
 - The Concerts on the Pier accommodated 3,500; the “sweet spot” seems to be 5,000 to 7,000 for concerts.
 - To generate revenue, unless it's acoustically brilliant it won't generate revenue if we're talking 2,000 people for free concerts—that needs to be in the magnitude of 10,000.

Eastern Edge

- **Joint Subcommittee Members:**
 - In the May 19th presentation J. Corner never dealt with the eastern edge; that will be a dominant edge in terms of increased value.

- **Advisors:**
 - Looking at the concept of the Belltown Balcony; this is an opportunity to connect Belltown in a meaningful way, and not have it be completely disjointed.
 - This also augments the ability to draw from the Market as a source of activation access to a large and dense residential population; the whole corridor as it comes down from Belltown Balcony.
- **Other Committee Members:**
 - The Design Oversight Subcommittee appreciates that kind of conversation; in our experience J. Corner is ready, willing and anxious to look beyond the boundary of project definition.

Coleman Dock

- **City Staff:**
 - There might be strategies for Colman Dock that look at possible regional funding components to bring those pieces together.
 - This was thought to be small-scale retail activating uses—such as grabbing a bit to eat, purchasing flowers—the concept was these would be small, mobile vendors.
- **Joint Subcommittee Co-Chairs:**
 - When we spoke with the folks from WSF they were favoring an idea of linear retail along the sidewalk to shield parking with one or two stories and a hotel above; this whole piece needs more study.

Additional Comments

- **Advisors:**
 - If there are distinct components that are self-sustaining models, like the amphitheater, it seems there's a natural flow with financing that we could start spreading out over years.
 - How do we take advantage and make a commitment to the sustainability of this design? That's a financial question as much as anything else. It's just as exciting as reclaiming salmon runs along the Waterfront—maybe that's one of the ways to tell the story.
 - We talked about making this an international art destination, which is also important to remember.
 - For funding, it seems we need to tap into the city, state and federal governments—how much of a leap is it if you go more broadly and look at this as a regional and national hub?
- **Joint Subcommittee Co-Chairs & Members:**
 - Perhaps the way to frame it is that we have specific elements we can afford today; here's what we're deferring for a later date.
 - If this is considered a local, regional and national hub, then we'll have to re-define what "client" means; right now we're talking public participation.
 - It may be possible in the folds that there's a base project that's designed in the way which other things will fit into over time.

- **Other Committee Members:**
 - One organization in town that does it well is the Woodland Park Zoo—it's supported by attendance on a national, state, regional and City level, as well as being supported philanthropically.
 - We need to remember the engine that we can create inside of the space will generate revenue, as well—it's a mixture of revenue streams.
 - We can't allow the open space concept to drive the entire concept, but we also have to be upfront about that from the beginning.

Next Steps

- **City Staff:**
 - A good next step would be to go through systematically and catalogue for each of the initial ideas who the potential partners are and what are some of the program opportunities.

ACTION: City Staff to create a document that catalogues initial program ideas and potential partners.

Adjourn

- **Joint Subcommittee Co-Chairs:**
 - As far as our Subcommittees go, we may want to go our separate ways and perhaps have joint meetings as necessary.
 - The Finance & Partnerships Subcommittee will meet during our previously scheduled meeting on the June 28th.