



**MEETING NOTES  
CENTRAL WATERFRONT  
LONG TERM STEWARDSHIP SUBCOMMITTEE**

**MEETING #4 September 27<sup>th</sup>, 2011  
3:30 — 5:00 PM Room #1600, Seattle Municipal Tower**

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**Meeting Attendees**

*Subcommittee Members & Advisors*

- Carol Binder, Co-Chair
- Bob Davidson, Co-Chair
- Bob Donegan
- Kate Joncas

*City Staff & Consultants*

- Nathan Torgelson
- Marshall Foster
- Steve Pearce
- David Graves
- Norm Schwab
- Robb Courtney

*Additional Attendees*

- Derek Mason
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**COMMITTEE BUSINESS**

\*Subcommittee reviewed & referenced documents including: *DRAFT Work Plan – Central Waterfront Long Term Stewardship Subcommittee.*

Draft Work Plan

- **City Staff:**
  - We've created a draft work plan and timeline for the Long Term Stewardship Subcommittee:
    - We're inventorying and analyzing the existing maintenance and operations (M&O) funding tools;
    - Early next year we'll start reviewing any new M&O funding tools that may be available;
    - We'll begin working with the Finance & Partnerships Subcommittee on funding strategy;
    - We'll also look at marketing and programming plans;
    - We want to review proposed M&O costs; some believe 7-10 percent of capital costs may be too high.
- **Long Term Stewardship Subcommittee Co-Chairs, Members & Advisors:**
  - A lot of programming doesn't lend itself to revenue generation; parking or development along the peripheries may contribute to revenues and we've talked about a taxing district briefly, as well.

### Inventory of Work Done to Date

- **Long Term Stewardship Subcommittee Co-Chairs, Members & Advisors:**
  - We've created a resource binder including past materials and presentations, we'll use this as a reference as we begin creating strategies and working on our contribution to the Strategic Plan.

### **THOUGHTS ON MAINTENANCE & OPERATIONS**

- **Long Term Stewardship Subcommittee Co-Chairs, Members & Advisors:**
  - Today we're discussing entities and their operations and maintenance costs, including Pike Place Market Preservation & Development Authority (PDA) and Seattle Parks & Recreation Department.

### Pike Place Market

- **Long Term Stewardship Subcommittee Co-Chairs (C. Binder, former PPM Executive Director):**
  - The PDA was created in 1973 and properties were transferred within that decade; it was not generating enough to properly maintain itself, so a Capital Levy was created last decade.
  - The Market covers nine acres; approximately 80 percent of which it owns:
    - M&O totals approximately 25 percent of the PDA's annual \$13 million budget:
      - Janitorial is approximately \$1 million;
      - Security is approximately \$900,000;
      - Maintenance and capital is approximately \$1 million.
      - Capital costs are approximately \$1-2 million per year for buildings valued at \$70-85 million.
    - All of the departments are unionized with full time employees (FTE's):
      - The Facilities Department (janitorial, moving things) has 27 FTE's and runs 24-7.
      - The Security Department (unarmed property security v. public safety) has 19 FTE's and runs 24-7.
      - Maintenance Department (internal repairs, apartment turnovers) has 12 FTE's and runs on-call.
  - Because it is a dense, active area, public speech is managed as opposed to prohibited with a controlled space for gathering signatures to prevent crowding and ensure public safety.
  - Musicians are asked to register for a fee and secure a badge; they are allowed to play in designated spots at specific times and they are not juried.

### Seattle Parks Department

- **City Staff (R. Courtney, Parks Division Director, Seattle Parks & Recreation Department):**
  - The Parks Department has developed a GIS-based inventory of all of our parkland, which maps out:
    - Surface—every specific surface type is categorized within;
    - Maintenance—happening in a particular space, tracked on an hourly basis;
    - Amenities—very specific amenities that are built into the park;
    - Activities—tracking activities including trash pick-up, mowing and park-scape cleaning.
  - In terms of cost per acre:
    - We spent approximately \$35,000 per acre in 2010 for daily routine maintenance, excluding programming, security or capital;
    - To maintain at our desired level, we would spend \$60,000 per acre;
    - Large parks with grass and open space are less expensive to maintain at \$11,000-12,000 per acre;
    - Heavily used downtown parks are more expensive at between \$150,000-192,000 per acre;
    - Size, intensity of use, design characteristics, who is there and what goes on all impacts costs;
    - We have planned costs down to specific amenity/surface type and can easily generate estimates.
  - In terms of staffing, we have:
    - Parks Rangers—five FTE's and two part-time employees at approximately \$450,000 per year; they travel in pairs, are focused downtown and deal with issues in public places.

- Park Concierges—stay in one place as a consistent presence and they can make calls if any issues arise; they’re less expensive than Parks Rangers.
- The Metropolitan Improvement District (MID) also has a good operating model for staffing.
- Density, different usage types, residential, commercial and retail elements will all help to create a space that is easier to manage so there are not broad, empty expanses.
- In terms of landscape and buildings, typical public infrastructure costs include:
  - A three percent capital replacement value for 30-40 years on the life of the asset is standard; that does not count land or maintenance costs.
  - Design and materials should be set to a high standard so you don’t have to reconstruct frequently; a three percent value is probably low for the sort of space you’d build here.

**ACTION: R. Courtney to share GIS maintenance breakdown by Park with Subcommittee members.**

### **CHALLENGES & OPPORTUNITIES FOR MAINTENANCE & OPERATIONS IN THE PUBLIC REALM**

- **City Staff (R. Courtney, Parks Division Director, Seattle Parks & Recreation Department):**
  - In terms of managing public spaces, we look at three categories:
    - Site use, activation and programming—what’s going on there;
    - Maintenance of the site;
    - Security—public safety, control of behavior within the space.
    - If these are underdeveloped, usage will suffer as well as who is comfortable being there.
  - The best experience I’ve had in managing space and controlling costs was a tax increment finance project:
    - We worked with a redevelopment agency to create public space that was privately owned;
    - When the property transferred it included public access requirements;
    - The fee title was kept in private hands, allowing more control over the use of the space.
  - If that is not possible, consolidated, unified management of the site is recommended:
    - Costs decrease, service quality, care and visitor experience improve with a third-party non-profit;
    - Managing by City jurisdictions is more expensive and there is less flexibility.
    - Unions can also add complexity and time and reduce flexibility.
  - From a revenue perspective, designing the appropriate management approach will help quite a bit—it’s also important to integrate decisions surrounding the design and M&O analysis together.
  - First amendment rights can be a challenge, but they can also:
    - Be well thought-out in advance, incorporated into design and written into operating policies;
    - Management criteria and permitting requirements can be established on public property;
    - However, the more public it is, the more challenging to manage the space and activities there.
- **Long Term Stewardship Subcommittee Co-Chairs, Members & Advisors:**
  - Our goal is that the Waterfront will be heavily used with bike, freight, boats and pedestrian traffic; the folds will likely be expensive to maintain.
  - We should be sure to raise enough funding upfront so that we can maintain at a high level and account for depreciation; there may also need to be an ongoing dedicated tax or levy.
  - We’ve got different models here but the desired outcome is a separate entity, whether it’s complete private ownership or City ownership with private management and funding.
  - A private non-profit could be the first entity focused on fundraising and then it could develop a property management subsidiary that is possibly a for-profit or public entity.
  - Relevant Seattle examples include:
    - Olympic Sculpture Park—is a private park open to the public and maintained.
    - Woodland Park Zoo—one-third of the operating budget comes from the City and county.
    - Seattle Aquarium—the Parks and Aquarium director agree annually how money will be spent.

- Pike Place Market—has a non-profit foundation to raise money.
  - We’re looking to the Waterfront as a public space treated differently from other spaces and we need community, elected officials and public agreement.
- **City Staff:**
  - There are hybrid approaches where major maintenance may be the responsibility of the City and annual operations may be the responsibility of an entity that is created.
  - It could be publicly owned but have a long-term agreement for private management; part of what will be challenging is the evolution of that entity—it may start out as a fundraising campaign.
  - There’s appeal in having a separate maintenance and operation budget not subject to a larger City budget process; we could create a new maintenance tool that raises the level for all parks.
  - There has been a lot of constructive dialogue about maintainability and scale; we’re getting more detailed about the use of the spaces, how they are activated and who maintains and operates them.

#### **PROGRAMMING FOLLOW-UP FROM THE EXECUTIVE COMMITTEE**

- **City Staff:**
  - The Executive Committee has been working with jcfo on overall program approach; they have developed a manifesto with flexibility, adaptability and multi-purpose use as the key.
  - Ultimately we need curatorial organization with permanent staff thinking creatively about what happens on the Waterfront; public art might be about things that are temporary and changing.
- **Long Term Stewardship Subcommittee Co-Chairs, Members & Advisors:**
  - It’s not just physical flexibility but also flexible, entrepreneurial, non-institutionalized staffing; we could perhaps have one major art piece but not many like Millennium Park.

#### **STRATEGIC PLAN**

- **City Staff:**
  - The Charter articulates the need for a Strategic Plan and Executive Committee Co-Chairs M. Walker and C. Royer will lead development with City staff M. Foster and N. Torgelson.
  - Development will start after October’s presentation and will be completed by March; we see this as the future marching directions for the next 18 months looking at actions, goals and phasing.
  - We’re interested in the Downtown Seattle Association and Seattle Center’s work on their strategic plans; we envision an aggressive round of engagement following its completion.
- **Long Term Stewardship Subcommittee Co-Chairs, Members & Advisors:**
  - jcfo is taking programming input from this Subcommittee and working it into their design; from here we’re going to develop conclusions on concepts that we want to include in the Strategic Plan.
  - We need a good critical path; we should do something to increase the people who are with us by a factor of ten.
  - We should invite representatives from the Seattle Center to share their thoughts regarding programming costs.