

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Executive Session - City Hall Siting
DEPARTMENT: City Manager's Office
PRESENTED BY: Eric C. Swansen, Senior Management Analyst

PROBLEM/ISSUE STATEMENT:

The immediate problem we are solving is selecting suitable sites for City Hall. As Council is aware, this immediate problem is critical to solving problems related to suitable space for City offices and the economics of owning space versus leasing.

FINANCIAL IMPACT:

Although there is a financial impact to this discussion, it is impossible to gauge this impact at this time, due to numerous outstanding issues that directly affect costs. These issues include siting, market conditions, delivery method and project complexity.

RECOMMENDATION

No action is required at this time. Staff is seeking Council's consensus support for pursuing specific sites based on information presented in executive session. With Council consensus, staff will begin discussions with property owners of suitable high-ranking sites for possible acquisition of sites. Staff will also pursue site-based cost estimates.

Approved By: City Manager  City Attorney 

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INTRODUCTION

The immediate problem we are solving is selecting suitable sites for City Hall. As Council is aware, this immediate problem is critical to solving problems related to suitable space for City offices and the economics of owning space versus leasing.

Under RCW 42.30.110 (1)(b), the City Council can meet in executive session to consider the selection of a site or acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price. Executive session portions of City Council meetings are not open to the general public.

This executive session item is part one of a two-part report. This report is intended to share basic information about the status, methodology and process for site selection as a public document. This item will not present any information that infers interest in any particular site, as this market knowledge may result in the perception of increased value for a seller. A second part to this report will provide more detailed confidential information to Council regarding specific sites and rankings.

BACKGROUND

Staff shared with Council a project workplan for the City Hall Project. That workplan included finding suitable sites for a future City Hall and selecting the best site for the project.

On October 21, 2002 staff shared with Council criteria to be applied to potential sites. Staff outlined a process that would provide an opportunity for interested property owners to express interest in selling sites for a potential City Hall. In addition, staff has received a number of site suggestions from staff that are also being considered.

In December staff advertised official notices in the Seattle Times, the Shoreline Enterprise and the Seattle Daily Journal of Commerce regarding how interested property owners can provide information to express interest in selling property for this project. Staff received no interest from property owners or brokers representing specific properties. Staff also used a site list that we developed in 2000, and was updated with staff suggestions. This list consisted of thirteen properties.

This list of thirteen was further narrowed down to six sites, based on an examination of the site availability and time needed to produce a developable site. In many cases these sites were dependent upon future development or aggregation of multiple parcels to become developable.

In January, staff ranked the six sites using the criteria previously developed. The criteria used a two-part criteria – the first being a basic fit criteria – the second a more detailed criteria for those sites that met the basic fit criteria.

Council was presented with a number of delivery methods on January 21st. There was general consensus to not make a decision regarding a preferred delivery method until a list of sites could be compared with the delivery options available for each site.

DISCUSSION

The analysis of the sites are based on staff making site visits to each of the sites on the list. Sites were ranked relative to each other, noting better sites with higher scores, lower sites with lower scores. The scoring scale is on a 0-5 basis. No weighting was applied to any criterion.

Basic Fit Criteria

Location – Overall Centrality & “Civic Heart”

In general, Council has expressed interest in having a centrally located City Hall, which fosters convenient access from all areas of the City. This criteria would rate on a qualitative scale the centrality to the central business district and the potential to enhance Shoreline’s “civic heart” or desire to establish a core downtown. The higher the score, the more suitable the site is to fostering the idea of a “civic heart.”

Location – Economic development catalyst potential

Council has also expressed an interest in getting this project to also be a catalyst for future economic development activities. Sites that lend themselves to being the beginning of future development, either coordinated or as a result of, the City Hall, will rate higher than others.

Location – Transportation access

The City has an opportunity to use the City Hall project as a model for encouraging transportation accessibility. This includes both traditional (access to major arterials) and alternatives (location on a bus route, proximity to bicycle paths or designated routes, sidewalks that connect to major business areas). Sites with greater transportation accessibility will rate higher in relation to other sites with less accessibility.

Location – Neighborhood / Adjacency to Services

The City wants to be a good neighbor when building a City Hall, so it makes sense to look for siting in locations where neighborhoods have quality development and generally support this type of project. This also includes proximity to services that City employees and visitors might easily access and use (i.e. espresso, sandwich shop, dry cleaners, etc.)

Location – Citizenry access to city services

The City seeks to ensure that all citizens have easy access to City Hall. The building itself will conform to the state barrier free standards, but location is also an important part of this. Sites centrally located in terms of travel times will rate higher, than those with longer travel times. This is different from overall centrality, as that measure is focused on a commercial, not population, center.

Parcel size and shape relative to needs

The City Hall building will have a number of options when it comes to height, width and parking. In general, sites that provide for the basic footprint, with

suitable ingress/egress will rate high. Those with even greater space will rate higher, while those with less will rate lower. If possible, staff will be seeking to acquire as much property as our budget allows, to provide for future development on the site.

Cost

The City Hall site must be within the City's budget overall. Cost will compare the options for building up (and have a more expensive construction type) with building out (and having to buy more land), when looking at the overall cost.

Additional Criteria

Additional Criteria - Site Characteristics – Expansion Potential

As previously mentioned, staff would like to acquire as much property as the site acquisition budget allows, for future expansion. Discussions with other cities that have built City Hall buildings suggest that if they were to do it again, they would want to buy more land. While the City's operating budget will not likely support another building for quite some time, we need to keep all our options open. The more suitable a site is for future expansion, the higher the rating.

Additional Criteria – Site Characteristics – Quality of Site

Sites with higher quality amenities, while not critical, are considered as having a higher value than others. This includes features like condition of the site, views, topography, etc.

Additional Criteria – Site Characteristics – Traffic access and parking

City Hall, while not a large traffic generator, still needs to have adequate parking and traffic access to meet our community's needs.

Additional Criteria – Sustainability/Environmental – Site Impact

Sites where development could require environmental damage would not rate as high as those sites where there is no environmental damage (or perhaps even an environmental benefit). This could be in terms of impervious surfaces which create stormwater runoff to on-site treatment facilities, require the elimination of urban quality trees, or reduce beneficial native vegetation.

Additional Criteria – Sustainability/Environmental – Remediation required

Sites which require additional environmental remediation, due to prior uses, will rate lower than those sites that require less remediation. These are often sites that have had vehicle or machinery repair functions, and have created a potential liability for the City to own the property.

Additional Criteria – Sustainability/Environmental – Stormwater Management

Sites that have little impact on the natural water flow rate higher than those with greater impact.

Additional Criteria – Sustainability/Environmental – Open Space

Sites which lend themselves to restoring or enhancing natural features will rate higher than those sites which do not.

Additional Criteria – Infrastructure – Street frontage

Sites with more street frontage that enhances the presence and access to the property and future development will rate higher than other sites.

Additional Criteria – Infrastructure – Traffic Mitigation

Sites which require significant off-site improvements to ensure traffic impacts are mitigated, such as traffic signals, calming devices, widening or turn lane construction, will rate lower than those site with less mitigation requirements.

Additional Criteria – Infrastructure – Communications system

The greater the access to a high quality communications system, the better the rating. Access to the County's I-Net, City-owned fiber infrastructure and proximity to telephone switching stations will rate higher than sites without these features.

Additional Criteria – Infrastructure – Utilities

The less need for additional investment in utility infrastructure (water line size, sewer extensions, utility transformers, etc.) the higher the rating.

Additional Criteria – Real Estate – Available for acquisition

Sites which are generally available for acquisition are rated higher than those which involve costly and less timely exchanges or relocations. Sites with fewer barriers to acquisition will rate higher then other sites.

Additional Criteria – Real Estate – Condemnation required

Sites that are not available due to unwillingness of the seller will rate lower than available sites. This will reduce the costly delays needed to use eminent domain proceedings.

Additional Criteria – Real Estate – Potential for partnerships/joint tenancy

In the past Council has expressed interest in sites that have greater potential for partnerships or joint tenancy. Such sites will rate higher than sites with little or no opportunity.

Additional Criteria – Real Estate – R/E transaction relationship

Sites that have more cooperative, committed and experienced property owners will result in a better working relationship. Such sites will rank higher than those with less willing owners.

Application of Criteria

The scoring of each site based on the above criteria will be provided as a handout during the executive session.

Consistent with the concerns staff has expressed previously regarding confidentiality and that the potential for knowledge of our preferences may inflate costs, staff is

suggesting we work with the property owners to find the best overall value among the sites.

It is important to note that the site scoring criteria simply applies a criteria to the sites. It is not intended to provide a comprehensive listing of concerns that may be associated with development of each site. Staff intends to develop a list of concerns associated with each site as part of the discussion during the executive session.

With Council's consensus support, staff will work with the property owners to establish a price for each site. Once the pricing is established, we will estimate our construction costs and place a project cost for each site. Sites eligible for alternative project delivery methods will be analyzed assuming a very conservative savings assumption based on the advice from Olympic Associates.

Once this phase of the analysis is complete, site packages will be shared with Council for additional discussion on how to proceed. This discussion will include options for site layout, best suited delivery method, any particular needs for site acquisition, architectural/engineering or developer selection schedules and a more refined project budget.

RECOMMENDATION

No action is required at this time. Staff is seeking Council's consensus support for pursuing specific sites based on information presented in executive session. With Council consensus staff will begin discussions with property owners of suitable high-ranking sites for possible acquisition of sites. Staff will also pursue site-based cost estimates.