

VII. STANDING COMMITTEES

C. Capital Assets Committee

Amendment to the 1998 City/University AgreementRECOMMENDED ACTION:

It is the recommendation of the administration and the Capital Assets Committee that the President is delegated the authority to sign, on behalf of the Board of Regents, the 2004 amendment to the 1998 City University agreement as approved by the Seattle City Council on November 29, 2004 (Ordinance 121688) and subsequently signed by the Mayor of the City of Seattle.

BACKGROUND:

On June 16, 2003 the City Council enacted Ordinance 121193 authorizing the Mayor to enter into an amendment of the 1998 City University. The amendment was approved by the Board of Regents and signed by the Mayor and the UW President in July 2003. The amendment included several changes, most notably, the elimination of a numeric restriction on the University's leasing, commonly referred to as the "lease lid". The lease lid contained in the 1998 Agreement established 550,000 gsf as the maximum number of square feet the University of Washington could lease within the Primary and Secondary Impact Zones.

Several community groups appealed the enactment of Ordinance 121193 to the Growth Management Hearings Board (GMHB) claiming that the lease lid was a development regulation under the Growth Management Act (GMA) and that the City erred in failing to follow a GMA public process when it eliminated the lease lid. The GMHB agreed and in March 2004, remanded the matter to the City Council for a new public process. However, the GMHB did not invalidate Ordinance 121193 and it remains effective during this remand period.

During the last nine months, the City Council conducted an additional public participation process consistent with the GMA and, on November 29, 2004, enacted a new ordinance (Ordinance 121688) authorizing the Mayor to sign a further amendment of the 1998 City University Agreement. The 2004 Amendment does the following:

1. Maintains the elimination of the lease lid.
2. Adds a requirement that the City report on the number, types and affordability of housing units lost through demolition, conversion, or change of use and whether such housing units are replaced with comparable units in the University District Neighborhood Urban Center Village (UDNUCV). This information will be included in the University's semi-annual report to the City Council and the City University

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Community Advisory Committee.

3. Adds a prohibition against the University leasing at street level in Pedestrian 1 and Pedestrian 2 commercial zones within the Primary and Secondary Impact Zones.
4. Adds a requirement that in response to the City's reports of violations of the Habitable Building Code, the University housing quality assurance program shall prohibit advertising of rental or leased housing with a recorded violation.
5. Adds a prohibition against the University leasing property for non-residential uses in specified residential zones.
6. Adds to the Agreement the existing 1991 Settlement Agreement prohibition against the University acquiring, leasing or controlling any or all of the former Battelle Institute site, located within the Laurelhurst neighborhood.

The additions provide safeguards for the community within which the University can continue to fulfill its mission of education and research.

In accordance with the GMHB's order, the City submitted a statement of compliance to the GMHB on December 14, 2004. The community group appellants have an opportunity to comment on this statement. On January 20, 2005, the GMHB will conduct a compliance hearing and thereafter will decide whether the additional City public participation process complied with the GMA. Depending on that decision, there may be additional proceedings before the GMHB.

Regardless of the GMHB's decision, it is appropriate for the Regents to authorize the President to sign the 2004 Amendment which has already been signed by the Mayor.

Once fully executed amendment, the 2004 Amendment would remain in effect unless it were to be invalidated by the GMHB.