

VII. STANDING COMMITTEES

B. Finance, Audit and Facilities Committee

Metropolitan Tract - Streets Permit

RECOMMENDED ACTION:

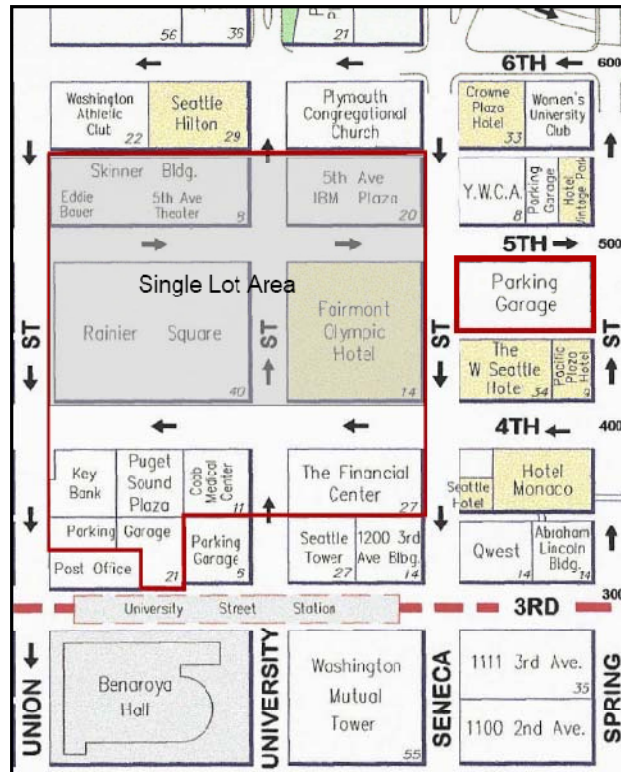
It is the recommendation of the administration and the Finance, Audit and Facilities Committee that the Board of Regents:

1. Approve the grant of use of streets within the Metropolitan Tract to the City of Seattle, and
2. Delegate to the President or his designee the authority to execute all documents related to this transaction.

BACKGROUND:

The original Metropolitan Tract is an un-subdivided parcel of land. UW owns the streets, alleys and sidewalks, including Fourth and Fifth Avenue and University Street. In the 1970's, the City was granted street permits for Fifth Avenue and University Street within the Metropolitan Tract (the City holds an easement in Fourth Avenue by condemnation in 1905). Those permits expired in October 2009 and have been temporarily extended during negotiations for a longer term permit.

The expiration of the permits provided an opportunity to clarify development capacity in consideration of public use of the streets. Because the Metropolitan Tract is an un-subdivided parcel, treatment as a single lot was sought in order to ensure maximum flexibility for future development. However, based on advice by City Law Department, the City will treat only the portion east of 4th Avenue as a single lot due to the existing easement on 4th Avenue. Historic preservation of certain buildings would be a separate means for maximizing development capacity elsewhere on the Metropolitan Tract.



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TRANSACTION SUMMARY:

- UW grants City the right to use University Street, 5th Avenue & the alley behind Skinner Building. Term of use is 10 years, plus UW may grant two consecutive 10-year extensions. UW may revoke permit on 30 days notice. UW retains subsurface rights and air rights. Code interpretation and development rights are referenced as essential to the long-term grant of use.
- The City issued a code interpretation on single lot treatment of all areas east of 4th Avenue, including 5th Avenue, University Street and Skinner Alley.
- UW and City agree to investigate potential amendment to the land use code which would allow UW to obtain additional development rights by preserving certain historic assets (the Metropolitan Tract is not subject to the City's landmark process under a court ruling).

REVIEW & APPROVAL:

Grant of use of streets within the Metropolitan Tract to the City of Seattle has been reviewed and recommended for approval by the Senior Vice President, Associate Vice President, Treasury, and the Director of Real Estate.