

March 2, 2017

The Honorable Joe McDermott  
Chair, King County Council  
Room 1200  
C O U R T H O U S E

Dear Councilmember McDermott:

This letter transmits two ordinances that will enable King County to sell Convention Place Station (CPS) to the Washington State Convention Center (WSCC), a King County Public Facilities District. The first ordinance requests Council approval of the Purchase and Sale Agreement and the second ordinance requests appropriation for capital projects related to the sale.

The Seattle area continues to be one of the most popular destinations in the country for conventions. The current convention center, however, has limited space and functionality. As a result, a significant number of conventions that would prefer to be in Seattle are forced to use convention facilities in other cities. This lack of adequate convention space translates into a significant amount of lost revenue to Seattle area restaurants, hotels, and other businesses.

The CPS property has been a valuable addition to King County Metro Transit's (Metro) bus operations since 1990. It is the access point to the Downtown Seattle Transit Tunnel (DSTT) as well as providing an important layover function for buses. As Sound Transit train service continues to increase, however, the buses are being phased out of the DSTT. The eventual termination of tunnel access by Metro (approximately mid-2020) creates a unique opportunity to partner with the WSCC regarding the future use of the CPS property.

With respect to the WSCC, the partnership will provide them with an ideally located property near their current facilities to construct a new convention center addition. This new addition will accommodate larger and more frequent conventions which translate into a significant amount of increased revenue and taxes to local and state government as well as to area businesses. For Metro, the net sale price, approximately \$161 million, will generate a valuable income stream for them to rely upon to fund needed improvements to transit service and operations. In conjunction with the planned end of joint bus and rail operations in the

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DSTT, Metro is working with the City of Seattle and Sound Transit via a coordinated “One Center City” project that would address future priority movement of transit customers on surface streets in the downtown area.

Additional details regarding the benefits of this transaction are provided in the attached Sale Property Summary.

Pursuant to KCC 4.56.140 and RCW 39.33.020, this proposed intergovernmental transfer of surplus real property requires public notice, a press release and a public hearing. The public notice requirement directs an advertisement for 10 days and not more than 25 days in an area newspaper. A press release and hearing notice are enclosed.

This property sale supports the King County Strategic Plan guiding principle of regional collaboration and the Strategic Plan goals of economic vitality and affordable housing.

Thank you for your consideration of this ordinance. If you have any questions, please feel free to contact Harold S. Taniguchi, Director, Department of Transportation at 206- 477-3809.

Sincerely,

Dow Constantine  
King County Executive

Enclosures

cc: King County Councilmembers  
    ATTN: Carolyn Busch, Chief of Staff  
          Melani Pedroza, Acting Clerk of the Council  
Carrie S. Cihak, Chief of Policy Development, King County Executive Office  
Dwight Dively, Director, Office of Performance, Strategy and Budget  
Caroline Whalen, County Administrative Officer, Department of Executive Services  
    (DES)  
Harold S. Taniguchi, Director, Department of Transportation (DOT)  
Rob Gannon, General Manager, Metro Transit Division, DOT  
Anthony Wright, Director, Facilities Management Division (FMD), DES  
Bryan Hague, Manager, Real Estate Services, FMD, DES