3.8 Relocation

What methods were used to evaluate the project's effect on relocations?

Right-of-way acquisition assumptions were based on preliminary designs for the proposed project, and may be refined during final project design and coordination with property owners. The type of acquisition for a property was determined based on the area (square footage) of the property that was needed, the total area of the property, and the degree of effect on structures on the property. If only a portion of the property would need to be acquired and the structure existing on the property would not be affected or could be reconstructed for the same or similar use, only a partial acquisition was anticipated. If a structure could not be reconstructed, the cost of reconstruction was greater than the value of the structure or property, and/or the size of the remaining property would be insufficient for its designated land use, a full acquisition was anticipated.

The relocation analysts researched the availability of replacement properties on the Internet for Seattle area commercial real estate agents and property managers, and also obtained information on area real estate market trends from these real estate and property management companies. They discussed affected businesses, full or partial acquisitions, and the degree of effects with the City of Seattle Fleets and Facilities Department Real Estate Services Division. They conducted field surveys of businesses in the project corridor in May 2005 and July 2006.

What are the characteristics of the properties and population immediately adjacent to the project?

Affected businesses include several retail and service businesses, professional offices, and educational/research facilities (as described in subsequent sections). Additional land uses within the study area that would not require relocations include four retail/service businesses, four vacant buildings, at least four parking lots, and South Lake Union Park. All of the properties potentially affected by right-of-way acquisitions are located on Mercer Street, where the road right-of-way would be increased to accommodate a wider road section. No right-of-way acquisition is needed on Valley Street; therefore, there would be no relocation of businesses on this street.

Field surveys conducted in May 2005 and July 2006 found that none of the affected businesses on Mercer Street are minority-owned or employ a majority of minority employees. None of these businesses is considered to provide essential services for a protected population.

Four single-family residences are located within the project limits on Republican Street between Fairview and Boren avenues. These residences are outside the construction area and would not be relocated or affected by construction activities.

How will construction of the project affect adjacent businesses and properties?

All of the properties potentially affected by the proposed project are commercial properties; there would be no residential properties or farms affected. Exhibit 3-21 summarizes the numbers and types of businesses that would be displaced and the numbers of employees affected. Permanent effects on businesses include permanent relocation due to right-of-way acquisition. Temporary effects common to all businesses would be limited access, construction noise, and loss of business due to customers avoiding the study area.

EXHIBIT 3-21
Characteristics of Businesses that Would be Displaced by the Build Alternative

Business Type	Number of Businesses Potentially Displaced	Number of Employees (Approximate)
Retail businesses	2	61-71
Service businesses	1	5+
Professional offices	2	69-79
Educational/Research facilities	0	0
Total	**5**	**138-148**

Construction of the proposed project would initially occur entirely on the north side of Mercer Street, where some structures would be acquired and demolished for the new street right-of-way. Construction in the new right-of-way would be isolated from traffic on the current Mercer Street. Traffic on Mercer Street would operate as it does today during construction on the north side of the road, and businesses located on the south side of the road would not be affected. Once the north section of the project was completed, traffic would be diverted to the newly constructed lanes and the south section of the road (the existing Mercer Street) would be reconstructed.

Exhibit 3-22 lists the affected properties, and Exhibit 3-23 displays the locations of permanent relocations.

General construction delays may cause customers to avoid the study area, thus adversely affecting the businesses that remain open in the area.

Valley Street improvements would be constructed last and the street may be temporarily closed to through traffic during construction after the two-way Mercer Street is in operation. All businesses located on the north side of Valley Street are accessible via Fairview Avenue North and Westlake Avenue North, both which would have already been reconstructed within the project limits prior to construction on Valley Street. Access to businesses along the south side of Valley Street would be maintained via side streets throughout construction on this road; therefore, no temporary relocations on Valley Street are anticipated.

EXHIBIT 3-22
Properties Affected by Right-of-Way Acquisition

Business Name (business type)	Number of Employees	Effect	Relocation or Mitigation Needed?
Far Fetched Importers (retail business)	25	Partial acquisition	No
Cloud Nine Mattresses and More	6	Partial acquisition	No
Under Construction - Interurban Exchange II (future office and laboratory research space)	150-400	No effect	No
Clements & Rice Building (7 tenants)	35	No effect	No
UW Research Facility (educational/research facility)	300-400	Partial acquisition	No
US Bank Building (1 tenant – Standard Parking Northwest)	47+	Full acquisition	Relocation
Westlake Market and Espresso (retail business)	10	Partial acquisition	No
West Marine (retail business)	30-40	Full acquisition	Relocation
Shell Station (retail business)	6	Full acquisition	Relocation
Taco del Mar (business headquarters and training facility)	40-50	Full acquisition	Relocation
Lincoln Towing (service business)	5+	Full acquisition	Relocation

Property owners on adjacent parcels would be given advance notice of relocation or demolition activities that may occur during construction. Right-of-way acquisition and potential relocations would occur prior to beginning construction.

How will the completed project affect adjacent businesses and properties?

The proposed project would require permanent relocation of 5 businesses due to full acquisitions. For professional offices, new office space may be available in existing buildings or in new office buildings that are under development in the South Lake Union neighborhood. Other businesses, such as the service station, and the towing lot, may have to move out of the area.

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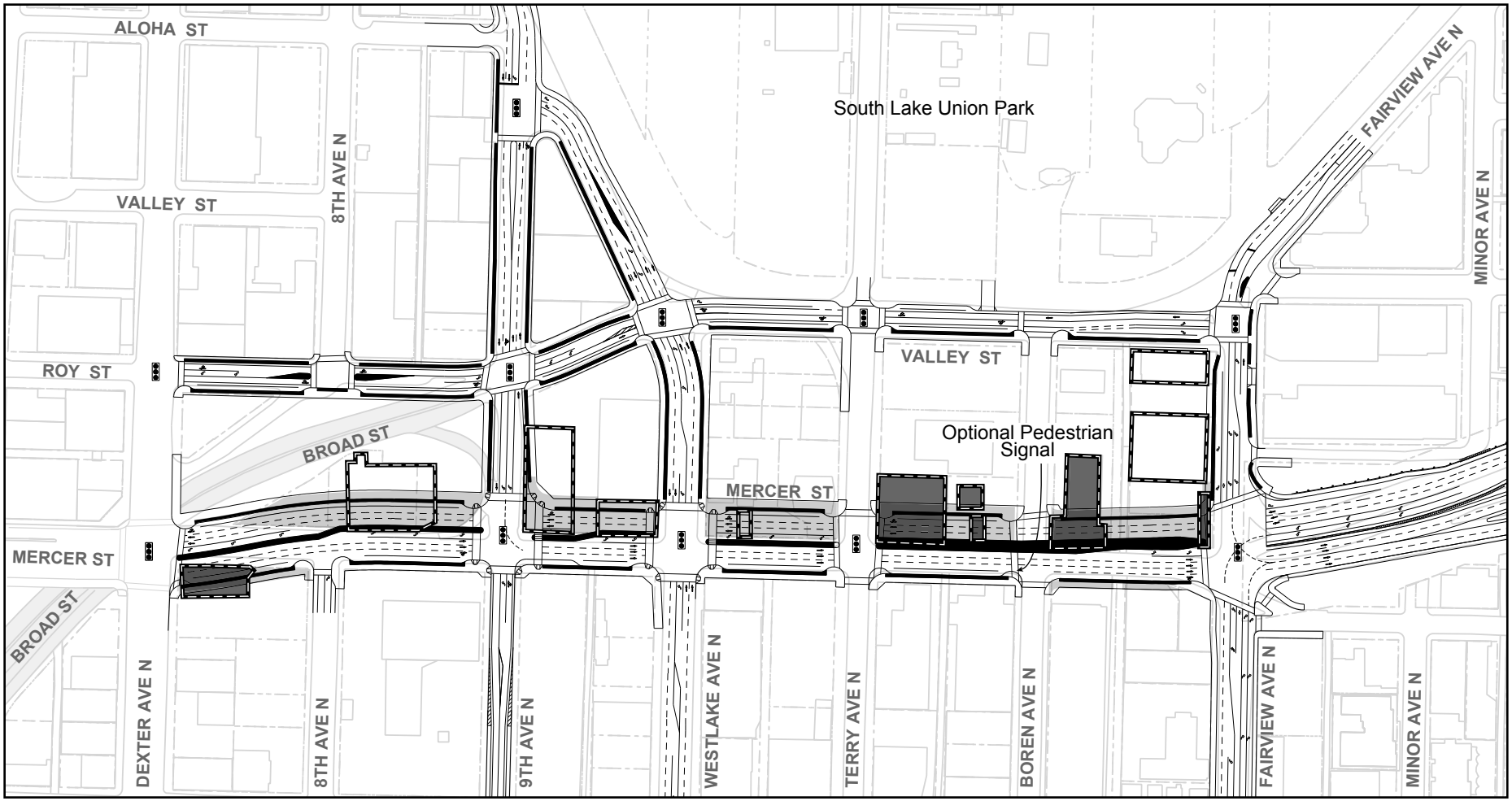

LEGEND

Broad Street Removed
Alaskan Way Viaduct and Seawall Replacement Project

Area of ROW Acquisition

AFFECTED STRUCTURES

Business-occupied

Vacant

NORTH

0 100 200 Feet

Exhibit 3-23

Relocations

MERCER CORRIDOR
IMPROVEMENTS PROJECT

The acquisition and relocation program would be conducted in accordance with the Uniform Act, which guarantees that relocation resources are available to all residences and businesses relocated without discrimination. This Act applies to any project receiving federal funding and allows for relocation assistance for displaced businesses and residents.

What relocation effects would occur if nothing were built?

If the No Action Alternative is chosen, there would be no displacements.

What measures are proposed to avoid or minimize effects on adjacent properties and businesses during construction?

Measures to mitigate potential adverse effects will include the following:

- SDOT will provide public information about construction activities. The public will be informed that businesses are open during construction and encouraged to continue patronage.
- SDOT will install temporary signage to inform drivers that access to businesses during construction is temporarily changed or restricted.
- SDOT will coordinate with affected business owners to develop strategies to maintain access to businesses during construction.
- SDOT will inform businesses disrupted or displaced by new right-of-way acquisition or other construction activities that they are entitled to relocation assistance in accordance with Section 8.26, Revised Code of Washington, and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended.
- SDOT will obtain temporary easements from properties and businesses where construction activities require the use of private property.
- SDOT will coordinate with affected businesses to develop strategies to minimize disruption caused by construction activities performed along property frontages.
- SDOT will develop a construction staging and traffic control plan that provides for management of vehicle and pedestrian flow through the construction work zones and minimizes disruption to affected businesses.

Other mitigation measures to reduce traffic congestion, noise, and dust during construction activities are identified in the *Transportation*, *Noise*, and *Air Quality* sections of this chapter. In addition, after project construction is complete, some surplus properties used for staging or other construction activities may be sold, entirely or in part. These sites may be used for replacement properties or could be used for other development in the study area.

What measures are proposed to avoid or minimize effects on businesses and properties after the project is built?

Businesses required to relocate would receive relocation assistance under the Uniform Relocation Assistance and Real Properties Acquisition Policies Act of 1970, as amended. Relocation services will be provided to all affected property owners and tenants without discrimination. Most of the affected businesses are service or retail businesses. The City of Seattle would work closely with affected business owners to minimize the level of disruption that may be caused by displacements and relocations along the project corridor.

Assistance available to business owners includes reimbursement associated with moving costs. Actual moving costs and related expenses will be covered, or in some instances, a fixed payment will be provided. The types of costs that will be covered include disconnection, dismantling, removing, packing, transportation, unpacking, reassembling, and reinstalling personal property. Reestablishment expenses for small businesses, losses of personal property, storage and insurance, planning and supervising expenses, replacement of stationery and business cards, and costs associated with telecommunication network installation and call-forwarding are also covered expenses under moving costs.

Advisory assistance will also be provided, which includes information on the availability, purchase price, and rental costs of suitable replacement properties. City and WSDOT staff will also work with businesses to help them become established in their new location and to minimize any hardships encountered in moving by providing advice regarding additional sources of assistance. Reestablishment expenses for small businesses, as described in 49 CFR Part 24, Section 24.304, include, but are not limited to:

- Repairs or improvements to the replacement property as required by code or ordinance
- Modification to the replacement property to accommodate the business operation
- Construction and installation costs for exterior signing
- Provision of utilities from right-of-way to improvements on the replacement site
- Redecoration or replacement of soiled or worn surfaces at the replacement site, such as paint, paneling, or carpeting
- Licenses, fees, and permits when not paid as part of moving expenses
- Feasibility surveys, soil testing, and marketing studies
- Advertisement of replacement location
- Estimated increased costs of operation during the first 2 years at the replacement site

- Professional services in connection with the purchase or lease of a replacement site
- Impact fees or one-time assessments for anticipated heavy utility usage

The City staff will work directly with affected business owners to determine relocation needs and the best assistance measures suited to each affected business. Agency staff will work with business owners to ensure that moves could be made in a timely manner, thereby reducing overall expenses, inconveniences, and the amount of time a business must remain closed during the move.

Exhibit 3-24 summarizes information on existing and future property available in the downtown Seattle area, including the Central Business District, Waterfront, Denny Regrade, Lower Queen Anne, Pioneer Square, Lake Union, and the Ship Canal.

EXHIBIT 3-24
Existing Property Availability in the Downtown Seattle Area

Type of Property	Area Needed by Affected Businesses (sf)	Seattle Leasable area (sf)	% Vacant	Average asking lease rate (per sf)
Office	50,000	36,985,896	12.87%	$24.81
Industrial	38,000	69,888,916	3.7 %	$0.46
Retail	45,000	1,823,007	2.56%	$37.54

sf = square feet
Source: Enterprise Seattle, http://www.enterpriseseattle.org/, accessed 11/27/06.

Two offices would be required to relocate, and a review of Seattle real estate listings for office space indicated there are a variety of properties available for lease. For businesses seeking to stay in the Lake Union neighborhood, the current vacancy rate is slightly less (12.81 percent) than the citywide rate, but 185,000 square feet of office space is currently under construction, with another 949,774 square feet proposed for this area (Colliers International 2005).

For warehouse businesses, available industrial space is more limited in the Lake Union neighborhood; however, based on a review of real estate listings for industrial space, a variety of properties are available citywide. None of the warehouse businesses are location-dependent, so adequate relocation options should be available to these businesses (Colliers International 2005, GVA Kidder Mathews 2005).

Retail space is the most limited market in Seattle, and based on a review of real estate listings for retail properties, retail spaces greater than 3,000 square feet are limited within the Lake Union neighborhood. Many of the affected retail businesses require spaces greater than 3,000 square feet and may not be able to relocate within the area, but should be able to

relocate within Seattle (Colliers International 2005, GVA Kidder Mathews 2005).

Relocation effects are not expected to be significant because the affected businesses should be able to successfully relocate without affecting overall employment within the business district. The proposed project would not substantially affect access to businesses that would not be displaced outright, or cause a substantial level of lost employment or income to a particular business or business district. Overall employment in the area is expected to increase with planned redevelopment projects. No residential relocations would be required by this project.

3.9 Economics

What methods were used to evaluate the project's effect on economics?

SDOT coordinated with residents; state, county, and city government officials; and local business and economic leaders through public meetings and stakeholder interviews and workshops. SDOT collected economic data from federal, state, and local government agencies, including:

- Retail sales tax (2002-2004) from State of Washington Department of Revenue
- Population and employment trends (2003) from Puget Sound Regional Council (PSRC)
- Property tax values and rates (2002-2005) from King County Department of Assessments
- Income from tax sources (2004-2005) from City of Seattle Finance Department.

The Bureau of Economic Analysis provided historical employment and unemployment data. The Washington State Office of Financial Management provided population and housing information. Field interviews were conducted with 16 businesses that would be potentially relocated, and a field survey was conducted of the study area to collect information on general business types and their ability to relocate within the study area or the city.

Information on affected businesses, full or partial acquisitions, and the degree of effects was determined through discussion with the City of Seattle Real Estate Services Division. Analysts researched the availability of replacement properties on websites for Seattle area commercial real estate agents and property managers, and also obtained information on the area real estate market, planned real estate projects, and development trends from these real estate and property management companies. The number of parcels acquired, number of structures acquired, net change in property tax revenue, and estimate of permanent jobs relocated or displaced were evaluated quantitatively. Sales tax and temporary jobs created during construction were also evaluated qualitatively.

What are the general economic characteristics of the study area?

Population, Housing, and Income

The South Lake Union neighborhood population is forecasted to grow rapidly in the coming years from about 1,850 in 2000 to over 7,100 in 2010 and over 27,000 by 2030. This growth is much more rapid than that anticipated elsewhere in Seattle and in King County. Between 2000 and

2030, nearly 17 percent of the growth in the city of Seattle's population is forecasted to occur in the South Lake Union neighborhood.

From 2000-2010, South Lake Union's average annual growth rate will outpace that of the city and of King County. The number of housing units in South Lake Union is estimated to grow from just under 1,000 in 2000 to over 3,300 in 2010 and over 14,000 by 2030. Between 2000 and 2030, nearly 15 percent of the growth in the City of Seattle's housing is forecasted to be built in the South Lake Union neighborhood. It is anticipated that most of this growth will consist of multifamily rather than single-family housing units.

South Lake Union has a lower percentage of minorities than the city as a whole, and the median household income ($25,561) is considerably less than the Seattle median of $45,736. Further detail about the socio-economic environment of the Mercer Corridor is presented in Section 3.7, Social.

Employment

In 2000, an estimated 22,952 persons were employed in the South Lake Union neighborhood. This represents 4.3 percent of all jobs in the city. By 2030, it is estimated that about 44,280 jobs will be located in the South Lake Union neighborhood, an increase to 6.3 percent of all employment in the city. From 2010 to 2030, total jobs in King County are forecasted to grow at 1.1 percent annually compared to 1.3 percent annually in the South Lake Union neighborhood. Between 2000 and 2030, approximately 13 percent of total city employment growth is expected to occur in the South Lake Union neighborhood.

Current employment in the South Lake Union neighborhood is dominated by the services sector, at 51 percent of total employment, followed by manufacturing, retail, and WTCU (wholesale trade, transportation, communications, and utilities) sectors, all at roughly 15 percent of total employment in 2000. The relative share of the services industry in the study area is expected to be 65 percent of total employment in 2010. All other sectors—manufacturing, retail, government/education, and WTCU—are expected to decrease as a percent of total jobs by 2010, to a combined 35 percent of the South Lake Union neighborhood's overall employment.

King County employment is also dominated by the services sector, at 43 percent of total employment in 2000. It is, however, only projected to grow to 46 percent in 2010, with small declines in the relative shares of the other sectors.

Assessed Value and Property Tax Revenue

According to the King County Department of Assessments, Seattle had an assessed value of approximately $88 billion in 2005 (King County Department of Assessments 2005). Assessed valuations in Seattle had increased 17 percent since 2002.

Revenues from property taxes are used to fund local and King County government, the Seattle school district, the local fire department, libraries, and emergency medical services. They are also a major source of revenue for the City.

Sales and Other Tax Revenue

In 2002, retail sales totaled over $12 billion. From 2002 to 2004, retail sales increased modestly by approximately 1.5 percent. Over the same time period, sales and use tax revenue to the City increased only by about 1 percent, from $127 to $128 million. There was a slight decrease in both retail sales and sales and use tax revenues from 2002 to 2003; however, retail activities picked up again from 2003 to 2004.

The City of Seattle collects tax revenues to pay the expenses and liabilities of the City associated with general service functions. Property and sales tax combined provide the majority of all taxes collected for the City's General Fund. The City's 2005 Adopted Budget forecasts that 65 percent of the approximately $515 million in tax revenues would come from property and retail taxes. Other sources of tax revenue include a gambling tax, business tax, utility tax, and other taxes.

Existing Businesses and Planned Development

The South Lake Union neighborhood is currently a mixed light-industrial, business, and commercial district that includes professional offices, warehouses, auto services, and retail development. The neighborhood has a strong base in biotechnology and biomedical research, attracting many companies and organizations in the last few years such as the UW Medical Center, Corixa, Rosetta/Merck, and the Seattle Biomedical Research Institute. Fred Hutchinson Cancer Research Center and ZymoGenetics have both recently expanded their facilities. This first wave of new companies has added over 3 million square feet of commercial, retail, and residential space. The UW Medical Center completed the second phase of its research hub in 2008. The second phase includes a 188,000-square-foot laboratory as well as a 96,000-square-foot office building.

On Terry Avenue North just south of Mercer Street, where the proposed Mercer Corridor Improvements Project is centered, the Interurban Exchange development is a large, four-building project that will include offices, laboratory space, and parking. Exchange III is completed and has already been leased to a biotech company, Exchange II is permitted for construction, and Exchanges IV and V are expected to be developed in the next few years. The new Interurban Exchange facilities are designed to accommodate existing and additional research and biotechnology initiatives as well as general office needs as overall employment and office space demand rise in the area.

Based on GIS data from the City's Department of Planning Development (2007), there are two additional developments programmed, but not permitted, for construction in South Lake Union. One would provide approximately 107,100 square feet of office and research space. The

second would be a four-story office building with approximately 19,000 square feet of retail space.

How will construction of the project affect the economy?

Effects during construction would be short-term compared to the lifespan of the completed project. Construction of the proposed project is expected to last approximately 2.5 years.

The construction of the proposed project would have a positive effect on employment, sales tax revenues, and overall economic activity in the study area. Total project costs are estimated at $100 to $110 million, and construction costs are estimated at $70.9 million.[1] While it is likely that most construction jobs would be filled by residents from places other than South Lake Union, new jobs may be created within the neighborhood and city limits in businesses and industries that provide goods and services needed during construction. Because material and equipment would likely come from outside the study area, the direct economic effects of construction spending are expected to be minimal in the South Lake Union neighborhood.

Direct effects on businesses during construction may include temporarily increased congestion, noise, dust, and possibly interrupted or more difficult access. Access to businesses would be maintained throughout the construction period; however, perceived loss of access can create business disruptions and reduce revenue for retail-oriented businesses. Businesses along Mercer Street, Valley Street, Westlake Avenue North, and Fairview Avenue North may be directly affected during construction because of a loss of business from potential customers that choose to avoid the construction area. Retail and service businesses that are highly dependent on location or drive-by customers, such as restaurants or gas stations, are the most likely to be adversely affected. However, these adverse effects are not expected to be substantial for two reasons: access to businesses would be maintained throughout the construction period, and individual businesses would be affected for only a portion of the construction period because the project would be constructed in phases.

Four retail businesses and three service businesses (two gas stations and one towing service) located on Mercer Street and one restaurant located on Valley Street are most likely to be adversely affected during construction. Additionally, several restaurants north of Valley Street along Fairview Avenue North and Westlake Avenue North would potentially be affected during different phases of construction if access is difficult. Any temporary loss in sales tax revenue resulting from construction effects on businesses would be partially offset by sales tax revenues generated by construction spending within the city limits. The magnitude of effects on local businesses during project construction would depend in part on the specific features of access and parking and the length of time that access and parking effects occur. Construction activities would also include reconstruction of one building as mitigation

[1] Estimate includes environmental cleanup, construction, construction management, and construction contingency.

for partial right-of-way acquisition. The affected business may be closed or temporarily relocated while their structure is reconstructed.

How will the completed project affect the economy?

As described below, the proposed project would help support planned development in the area and would have some modest negative economic effects related to property acquisitions and property tax collections.

Circulation and Accessibility

Upon completion of construction, the movement of goods and persons along the Mercer Corridor within the South Lake Union neighborhood and from I-5 to businesses and neighborhoods to the west and north would be improved. Circulation would be more direct for east-west traffic and would also improve for north-south traffic. The improved circulation and accessibility would open up businesses to a larger customer base and improve access for potential employees of businesses within the South Lake Union neighborhood.

Circulation on truck routes through the area would benefit because travel would occur directly from the I-5 off-ramp onto Mercer Street, thus removing the current turning movements onto Fairview Avenue North and Valley Street. Larger turning radii along Mercer Street at Ninth, Westlake, and Fairview avenues would better accommodate large tractor-trailer vehicles.

Traffic volumes on Valley Street are anticipated to decrease by two-thirds after construction is complete because most of the westbound traffic would travel on the new two-way Mercer Street. Consequently, businesses along Valley Street would experience a decrease in visibility in terms of drive-by traffic. However, the degree of effect this would have on these businesses is expected to be minor. Traffic congestion, lane restrictions, and poor access are currently a deterrent to drive-by business. Improved parking options and access to South Lake Union Park and local businesses could offset some of the effects associated with reduced traffic volumes on Valley Street. The presence of the new South Lake Union streetcar along Valley Street will bring some new pedestrian traffic into the study area that would help offset the loss of drive-by traffic.

There are at least 10 restaurants near the intersections of Valley Street with Fairview Avenue North and Westlake Avenue North. A small part of these restaurants' business likely is generated from drive-by customers, and the restaurants would experience a minor loss of visibility because Mercer Street would be a more direct route for potential customers traveling west from I-5 than Valley Street. Two hotels are located at these intersections as well, which could also experience minor economic effects from this loss of visibility. Westlake and Fairview Avenues North would continue to be standard routes for accessing areas north of Lake Union, so the visibility of these businesses to drivers would continue. Improved parking options and access to South Lake Union Park and local businesses may offset some of these effects as more visitors are drawn to this area and therefore travel along these streets.

The addition of westbound traffic on Mercer Street would increase the visibility of businesses on Mercer Street that currently are not seen by eastbound traffic exiting I-5 on the current one-way Mercer Street. Although driveway access to properties between Boren and Fairview avenues on Mercer Street would be removed or restricted, alternate access would be provided from side streets and new parking west of Boren Avenue would improve accessibility. This change in access is not anticipated to adversely affect these businesses. The transition of Ninth Avenue from a one-way street to a two-way street within the study area would increase the visibility of and improve overall customer access to businesses on the street as well by allowing northbound and southbound traffic.

Business Displacement and Employment

Roadway right-of-way acquisition would require a number of business displacements. Exhibit 3-25 provides a summary of the number of businesses, employees, permitted development, and programmed development in the corridor that may be affected by the Build Alternative. No housing would be displaced by the project. The actual effects on businesses and employees would depend on a number of factors. Some businesses may relocate within the South Lake Union neighborhood, some may relocate elsewhere in the city or in neighboring cities, and some may close because their business would not be viable in another location. Closures occur when a business would incur a substantial increase in rent, or when local synergies, such as being a marine-related business, cannot be found in another location. Further detail on the affected businesses is presented in Section 3.8, Relocation.

EXHIBIT 3-25
Impacts to Existing Businesses and Planned Development

Partial Acquisitions	
Businesses Potentially Affected	1
Employees Potentially Affected	25
No. of Businesses for Which Mitigation is Likely	1
Relocated Businesses	
Office	2
Service	1
Retail	2
Total	5
Relocated Employees	87
Office	5+
Service	36-46
Retail	128-138+
Total	
Impacts on Permitted Development	0
Impacts on Programmed but Not Permitted Development	4-story office + 19,000 sf retail, ROW required = 2,700 sf.

The Build Alternative would also result in some partial takes. One retail business would be affected, totaling 25 employees. The partial takes would require mitigation for one of the businesses.

Business displacements may reduce the sales tax revenue collected by the City, depending on where, when, or whether the affected businesses would relocate. Similarly, there could be a net loss of employment initially for workers at those displaced businesses. According to commercial real estate reports for mid-year 2005, the supply of available office space within the study area is adequate while the supply of available retail space in the study area is limited. Citywide, retail space is more available. This suggests that retail businesses along Mercer Street that would be displaced may find it difficult to relocate within the study area, but they could relocate elsewhere within the city. Although office space is adequate in this area, it may not be affordable for displaced businesses and they may chose to relocate out of the area.

Employment in the South Lake Union neighborhood is projected to grow by 16,000 jobs in the next 20 years, so jobs lost to businesses that relocate out of the study area should not have a substantial effect on overall employment levels. With primarily mixed-use development planned for this area, new employment opportunities are likely to be service, retail, or biotech/high-tech oriented.

Right-of-way acquisition would permanently displace approximately 5 businesses and a minimum of 128 employees. All of the potentially affected businesses are located along Mercer Street. These businesses include two offices, one service business (a towing company), and two retail businesses (marine supply store and a gas station). Both retail businesses currently occupy large spaces, which are difficult to find in the study area but are easier to find in other areas of the city. These businesses are also location-sensitive to varying degrees, with the service station dependent on drive-by traffic and the boat supply store somewhat dependent on proximity to boating areas (in this case Lake Union). The service businesses are not highly dependent on location except for the towing company, which may not be able to relocate in the study area because of lot-size requirements.

Property Tax Revenue

The proposed project would use all of the existing City-owned and tax-exempt right-of-way located along the project corridor. The remaining right-of-way would be acquired from taxable property within the City. The taxable property acquired would be removed from the City's tax rolls, affecting property tax revenues. In order to collect budgeted funds, these taxes would then have to be collected from the remaining taxpayers in the form of increased property tax rates. However, the effects on other taxpayers would be offset by the development of any "excess" property acquired for construction and later released for development, and by taxes collected from new development that takes place as a result of improved mobility and access in the study area. Along with extensive development already planned in the South Lake Union neighborhood, several parcels in

the project corridor are currently vacant or underdeveloped and would be more appealing for redevelopment with construction of this project. With this subsequent development, property values are likely to increase somewhat and long-term property tax effects would likely be beneficial, compensating for the initial property tax decrease. The large amount of proposed development in this area makes this effect more likely.

Exhibit 3-26 shows the initial property tax effects for the City of Seattle under the proposed project. These estimates are based on full parcel takes only, as discussed in the *Relocation Discipline Report*. Partial acquisitions would increase these values. The taxable property within the proposed right-of-way generated approximately 0.02 percent of the 2005 collected property tax revenues. The initial effect on property tax revenue would be a minor effect on the City's overall tax revenues.

EXHIBIT 3-26
Estimated Initial Property Tax Effect

	Total Estimated Loss of Property Tax	Estimated Loss of Property Tax to City[a]	2005 Total Property Tax Collected[b]	Percent of 2005 Property Tax Collected
Build Alternative	$256,465	$67,575	$294,371,932	0.02%

Source: King County Department of Assessments 2005.
These estimates are calculated based on full property takes only and represent "worst-case" conditions by assuming that displaced businesses do not relocate within the Seattle city limits.
[a]Assumes that relocation occurs outside of City of Seattle
[b]Includes City of Seattle portion of property tax only.

Assuming that displaced businesses do not relocate within the Seattle city limits, the loss in property tax revenues would amount to approximately 0.02 percent of total property tax collected in 2005. Although less taxable land may be available after project completion, the value of land in this area is expected to increase with new development both planned and under construction, potentially offsetting any loss of property tax revenue.

Sales Tax Revenue

Effects of sales tax revenues are difficult to predict and would depend on where businesses affected by the proposed project relocate. Relocating outside of the city would result in a temporary decrease in sales tax revenues for the City. Currently planned redevelopment in the South Lake Union neighborhood, however, will be mixed-use and include office, retail, research, and residential uses, possibly bringing in more new businesses than may be lost. This redevelopment will include new sales tax-generating businesses, and new offices and residences will bring new customers into this area, which would offset the potential loss of sales tax from existing businesses. Improved citywide and regional access to this area would also generate greater sales tax revenue as this neighborhood becomes more accessible and more of a destination.

Indirect Effects

The South Lake Union Urban Center is projected to grow substantially in the next 20 years, including 16,000 to 20,000 jobs and 8,000 to 10,000 households. The City of Seattle's goal is to develop a mixed-use neighborhood with a strong emphasis on growth in biotechnology, and policies to achieve this goal are included in the South Lake Union Neighborhood Plan and the Seattle Comprehensive Plan. The proposed boulevard design and improved traffic circulation of the two-way Mercer Street would be attractive to many types of new businesses. The proposed project would improve traffic flow between I-5 and popular regional attractions and enhance planned development in the South Lake Union neighborhood, which would aid in increasing South Lake Union's contribution to the regional economy.

What economic effects would occur if nothing were built?

Under the No Action Alternative, no businesses would be displaced by right-of-way acquisition and there would be no resulting decrease in property or sales tax revenues or jobs lost. Economic development planned for this area may occur more slowly as business owners may be more reluctant to locate in an area with poor access and limited parking. Continued problems related to access and circulation may cause business owners to move from the area if customers are not able to access their stores or if the movement of goods and services is increasingly restricted due to the poor circulation.

What measures are proposed to avoid or minimize effects on the economy?

Measures to avoid or minimize adverse effects will include the following:

- SDOT will provide public information about construction activities. The public would be informed that businesses are open during construction and encouraged to continue patronage.
- SDOT will install temporary signage to inform drivers that access to businesses during construction is temporarily changed or restricted.
- SDOT will coordinate with affected business owners to develop strategies to maintain access to businesses during construction.
- SDOT will inform businesses disrupted or displaced by new right-of-way acquisition or other construction activities that they are entitled to relocation assistance in accordance with Section 8.26, Revised Code of Washington, and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended in 1987.
- SDOT will provide mitigation for businesses affected by partial right-of-way acquisitions, which may include reconstruction of buildings or modification of parking or loading areas.

Other measures to reduce traffic congestion, noise, and dust during construction activities are identified in the Transportation, Noise, and Air Quality sections of this chapter.

What measures are proposed to avoid or minimize effects on the economy after the project is built?

The proposed project is anticipated to have a net positive effect on the local and regional economy, and therefore no mitigation is proposed.

3.10 Visual Quality

What methods were used to evaluate the project's effect on visual quality?

The FHWA visual quality assessment method used for the Mercer Corridor Improvements Project has six steps:

1. Establish the project's visual limits (views and contiguous landscape units). For the Mercer Corridor Improvements Project, the visual quality analysts analyzed the landscape units via representative viewpoints so that they could conduct visual simulations and assess the existing conditions and effects.
2. Determine who has views of and from the project (viewer).
3. Describe and assess the landscape that exists before project construction (affected environment).
4. Assess the response of viewers looking at and from the project, before and after project construction (viewer sensitivity).
5. Determine and evaluate views of and from the project for before and after project construction (simulations).
6. Describe the potential visible changes to the study area and its surroundings that would result from the proposed project.

Landscape unit is an identifiable segment or span that contains the view. These units are framed by natural or manmade features to make "outdoor rooms." In the study area, these are high activity corridors where large number of viewers can see three to four blocks away and beyond.

The visual quality analysts evaluated the first three steps to establish the baseline conditions of the existing landscape and to determine how much of the project is visible from outside of the study area. From this baseline, they assessed potential changes to the visible landscape and likely viewer responses to those changes. They also evaluated light, shadow, and glare that would result from the proposed project. Based on the potential effects evaluation, they identified mitigation measures.

Who are the viewers in the study area?

Exhibit 3-27 presents the sensitivity rating for each viewer group for the five landscape units identified in the study area (discussed in the next subsection). The ratings are a factor of the relative number of viewers in the group (quantity) and, in some cases, the level of concern for the view. Low viewer sensitivity results when there are few viewers who experience a defined view or they are not particularly concerned about the view. High viewer sensitivity results when there are many viewers who experience a view frequently or for a long duration, and who are aware of and concerned about the view. Viewer sensitivity does not imply support for or opposition to a proposed project; it is a neutral term that is an important parameter in assessing visual quality.

The sensitivity of the landscape unit is established by the highest sensitivity rating for any one viewer group. Five general viewer groups may be affected by the project: motorists, pedestrians, bicyclists,

residents, and workers. Based on planning documents, public outreach, and relevant document reviews, the level of concern for viewers is discussed below.

EXHIBIT 3-27
Visual Sensitivity for Each Landscape Unit by Viewer Group

Viewer Group	Fairview	Valley	Mercer	Westlake	Terry
Motorists	High	High	High	High	Medium
Pedestrians	Low	Medium	Medium	High	Low
Bicyclists	Low	High	Low	Low	Low
Residents	Medium	Medium	Low	Low	Low
Workers	High	High	High	High	Medium
Overall Visual Sensitivity	**High**	**High**	**High**	**High**	**Medium**

What is the current visual setting in the study area?

Land uses in the proposed project study area are generally low- to mid-rise business, office, and industrial uses, with a mixture of storage facilities, service stations, and a few car and boat dealerships (see the *Land Use Section* for more detail). The topography within the primary study area is relatively flat, devoid of much vegetation, and predominantly urban development. Buildings range from one to two and occasionally five stories. Approximately a quarter of the land area in the study area is vacant, used as temporary parking, or underutilized. Residential uses are rare within the study area and views from these land uses are oblique and do not allow the viewer much detail of the study area.

For the purposes of this analysis, the visual quality study area is the same as the project limits. Views into the study area from I-5 as well as outward views from the study area that encompass the Space Needle, downtown skyscrapers, Queen Anne, Capitol Hill, and South Lake Union are also discussed.

Views from I-5 and, to a lesser degree, from the west end of project limits, allow motorists snapshot views into the study area. The topography of the study area is relatively flat, with rising topography on three sides: the Aurora Avenue North corridor and the Space Needle to the west, Queen Anne to the northwest, and Capitol Hill to the east. To the north lie Lake Union and the waterfront of South Lake Union Park.

South Lake Union Park, including the Naval Reserve Building and the Center for Wooden Boats, is a tourist destination within the study area and adjacent to the study area. These uses are briefly visible to the traveler through the study area. In fact, the unknowing motorist may see glimpses of the lake, but the area appears to be unkempt, unorganized,

and not an ideal destination area. These features are the focal point within the study area and the surrounding neighborhoods.

Five properties are eligible for inclusion in the National Register of Historic Places within the study area. For detailed descriptions of these properties, see the Historic, Cultural, and Archaeological section.

Utility poles line the roadways in the study area. Standard 20-foot-high light standards line the roadways, and some streetlights are mounted on utility poles where convenient. There are few street trees planted within the study area. Signal lights hang on wires that are strung across the street from utility poles. Other visual obstacles include large billboards along Valley Street.

Primary Landscape Units

For the purpose of the visual quality analysis, the study area was divided into the following five landscape units that best captured the majority of representative views in and of the area:

- Fairview Avenue North
- Valley Street
- Mercer Street
- Westlake Avenue North
- Terry Avenue North

Fairview Avenue North, Valley Street, and Westlake Avenue North are designated scenic routes by Seattle Municipal Code (SMC) 25.05.675. Analysts took photographs from these viewpoints (the photograph exhibits for each viewpoint are listed in Exhibit 3-28 and presented later in this section). The viewpoint and view direction used to represent the landscape units are described in Exhibit 3-28. The viewpoints are shown on Exhibit 3- 29. However, in the case of Fairview and Westlake avenues, there are protected views from these scenic corridors in both the northbound direction toward Lake Union and in the southbound direction toward the downtown skyline. Project effects were analyzed by overlaying design elements onto the photographs. While the photos are limited in their field of view because of the camera lens, the overall visual analysis considers the entire field of view. Photographs do, however, provide an accurate representation of the scale of a structure in relation to other objects as seen from the viewpoint.

How will construction affect visual quality?

Effects during construction are considered short term in comparison to the life span of the completed project. The expected construction activities would cause increases in dust levels, detract from views and visual quality due to removal of earth and staging of construction equipment, and create glare from lighting if construction takes place at night. Some construction effects, such as removal of buildings, could result in effects on the study area lasting beyond the construction period.

EXHIBIT 3-28
Location and Description of the Viewpoints

Viewpoint Number	Location of Viewpoint	View Direction	Exhibit Number
1	**Fairview Avenue North** at Mercer and I-5 on- and off-ramp termini with Mercer Street.	Northbound views of the large six-legged intersection with views of South Lake Union and industrial businesses to the north and to the west Mercer Street.	3-30
2	**Valley Street** between Fairview and Westlake Avenues North	The viewpoint is directed east toward Capitol Hill. Views are expansive due to the park on the north and many vacant lots to the south.	3-31
3	**Mercer Street** between Ninth and Westlake Avenues North	Views are predominantly eastward consistent with the one-way traffic flow. Views include car dealerships, gas stations, open lots and office buildings, and distant views of Capitol Hill.	3-32
4	**Westlake Avenue North** from Mercer Street looking north toward South Lake Union	View of the typical business district within study area. The scenic route is designated northbound toward the lake and therefore so is the viewpoint.	3-33
5	**Terry Avenue** from Mercer Street looking north toward South Lake Union	Northbound views show office and antiquated industrial buildings, open lots, and old rail lines and narrow view of Lake Union.	3-34

In addition to the unsightly construction activities and the debris, the demolition of 11 properties on Mercer would create a large expanse of open lots to the north, temporarily opening views to Lake Union and the surrounding vicinity. Vacant lots in urban landscapes can make the viewer feel exposed and unprotected. The openness signifies a lack of conformity and vividness. This would also affect views of the study area from Capitol Hill and I-5, although not as great as the views from within the study area.

Construction would likely be completed on one side of the road at a time, thereby allowing motorists continued visual access to either the waterfront or other vistas in the study area. Pedestrians and bicyclists may be deterred from access to Valley Street, Fairview Avenue North, and Mercer Street during construction, thereby limiting viewer access to these areas.

Lighting, Glare, and Shadow

Safety standards for evening construction often require high light intensity, which can be distracting for other users in the area. The creation of vacant lots may contribute to the spreading of light that distracts from evening views. Construction of the proposed project is not anticipated to cause any shadows on open spaces.

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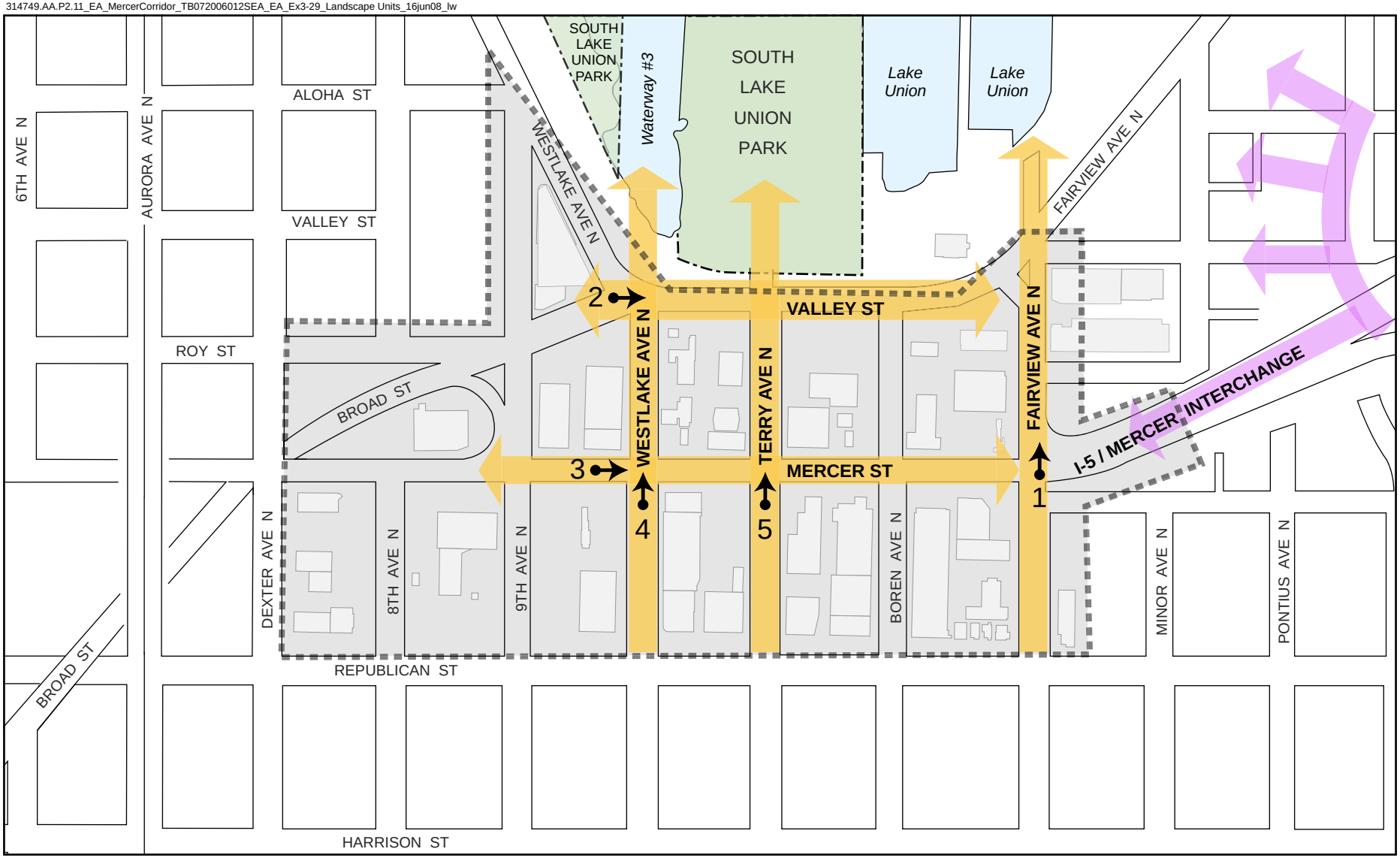

LEGEND

- Project Limits
- Park Boundary
- Landscape Units Showing Direction of Views
- 1 Viewpoint
- Views into Study Area

NORTH

0 0.125 Mile

Exhibit 3-29

Landscape Units and Respective Viewpoints for Analysis

MERCER CORRIDOR IMPROVEMENTS PROJECT

How will the completed project affect visual quality?

The design team developed visual simulations of the proposed project to assist visual assessment and to communicate the potential effects of the proposed project. The visual quality analysts concluded that the Mercer Corridor Improvements Project is consistent with the City of Seattle's regulation and policies concerning the preservation, enhancement, and improvements of visual resources, shorelines, and important views. Also, the proposed project would not result in negative lighting, glare, and shadow effects. The visual simulations were developed for the five viewpoints shown on Exhibit 3-29. These simulations were paired with photographs of existing conditions to document before and after visual quality as a composite of vividness, intactness, and unity ratings. See the *Visual Quality Discipline Report* for a summary of visual quality ratings including vividness, intactness, and unity for each landscape unit.

The proposed project would improve the intactness score rating by removing some of the area's visual clutter through the coordination of utility lines, lighting, and signs. As a result, the area would have fewer eyesores and would be less broken up. In addition to the newly established visual order a consistent character would be added through the use of street trees and sidewalks. These new elements would be scaled to the user, would provide visual conformity, and would be designed to help blend and unify the human-built landscape of buildings and roads with the natural landscape of South Lake Union, thereby improving the visual integrity of the study area.

The proposed project would increase vividness scores by adding memorable and distinctive elements to the study area, such as gateway features, focal points at key intersections, and distinctive themes in the lighting and other street furniture to bring out the maritime and park elements of South Lake Union.

The proposed project would raise the overall visual quality in the study area by installing unifying elements, such as consistent streetscape, lighting, and signage. The completed project would change views of the study area from distant locations. From distant view areas, such as I-5 and Capitol Hill, aspects that would be perceptible include expanding the width of Mercer Street, narrowing Valley Street, adding a median along Mercer, and the residual vacant lots that may result from property acquisitions. These represent a mixture of beneficial and negative effects. Improvements such as consistent sidewalks and street trees would remain almost imperceptible from a distance for 5 years until the trees mature. Over time, this would be a distinctive feature from the distant vantage point as green ribbons cutting through an urban fabric.

Fairview Avenue North

This location is referred to as the gateway into Seattle and the South Lake Union neighborhood from I-5. As viewed in Exhibit 3-30, the gateway at Mercer Street and Fairview Avenue North would have an expanded asphalt area; however, the proposal to convert this to a four-way intersection and eliminate the one-way Mercer Street would improve

visual order for motorists. The proposed project would require one building acquisition at the northwest corner of Fairview Avenue North and Mercer Street, which is not a historic structure nor does it contribute to the character of Mercer.

Exhibit 3-30. Viewpoint Looking North on Fairview Avenue at Mercer Street and the I-5 Interchange On- and Off-ramps – Existing and Visual Simulation

Fairview Avenue North would remain free of street trees, and the traffic signals would be consolidated; therefore, no views toward or from South Lake Union or the downtown skyline would be impaired. Evening lighting would remain consistent with existing conditions. Widening and converting Mercer Street to a two-way street would create a small degree of additional glare and headlight reflection along Mercer in the westward direction. The overall visual quality of Fairview would improve from moderately low to average.

Valley Street

The proposed plan for Valley Street (Exhibit 3-31) would reduce the number of travel lanes, thereby leaving right-of-way for bicycle lanes and wide sidewalks.

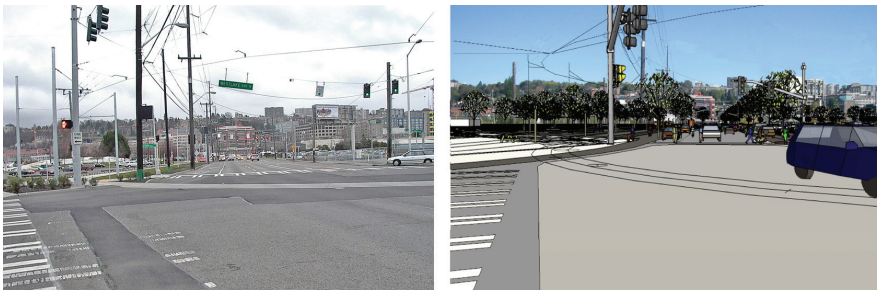

Exhibit 3-31. Viewpoint Looking East on Valley Street at Westlake Avenue – Existing and Visual Simulation

No property relocations would be necessary on Valley Street. The primary theme along Valley Street is to integrate the streetscape with South Lake Union Park.

In addition to the entrance to South Lake Union Park, design components have been added at particular focal points along Valley Street such as at the intersections at Fairview and Westlake Avenues North. These elements would add uniformity and definition, thereby enhancing the viewers' experience of the intersection and surrounding views. Streetscape plans will unclutter the roadway and provide visually unifying

features on Valley Street consistent with City of Seattle standards. The proposed urban design concepts call for fine-textured, detailed, and interpretive elements along Valley Street to communicate a relaxed, soft, and natural integration with the park and waterfront atmosphere.

No views would be impaired with changes to Valley Street. The proposed changes would positively affect the setting for the historic Shurgard Building at 1155 Valley Street and the Brace Lumber building at 965 Valley Street by enhancing the pedestrian connections that are part of the area's historical character.

The narrowing of Valley Street would reduce the amount of reflective material from existing conditions. Additional street trees would also contribute to reducing glare from street lights. The proposed project would raise Valley Street from moderately low to a moderately high visual quality rating.

Mercer Street

The proposed project would result in nearly doubling the right-of-way on Mercer Street (Exhibit 3-32).

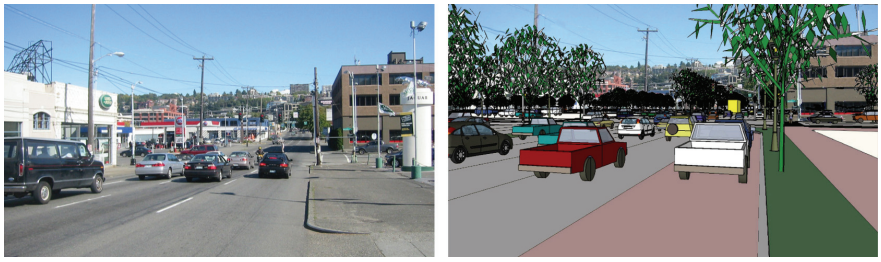

Exhibit 3-32. Viewpoint Looking East on Mercer Street at Mid-block between Ninth Avenue and Westlake Avenue - Existing and Visual Simulation

Nine parcels on the north side of Mercer Street and two on the south side of the street would remain vacant during project construction. Conversion to a two-way, six-lane roadway would give motorists views from the eastbound direction as well as the westbound direction. The planted median and street trees, art centerpieces, unique pavement for on-street parking, and enhanced sidewalk and pedestrian crossing paving materials would add a unifying streetscape that does not currently exist. Pedestrians would have several visual buffers from the high-volume traffic such as on-street parked cars, wide and heavily planted medians, and street trees. Distinctive pavement materials, curb bulbs with sidewalk-like paving, and mid-roadway medians for pedestrian refuge would designate safe crossings at the intersections.

The streetscape concepts use bold, bright, and dynamic elements in the art and details, thus visually communicating a vibrant urban environment (see the *Visual Quality Discipline Report* for more detail). Lighting on Mercer Street would be similar to Valley Street except additional street lights would be in the median at 60-foot intervals.

The heavily planted median would break up the reflective asphalt material and create a center of safety for pedestrian crossings. The median would

vary between 10 and 21 feet wide with densely planted trees, either deciduous or evergreen trees, which would effectively reduce the street expanse by half for all viewer groups except those looking down from the third-story level. The vegetation would help reduce the added glare from headlights in both directions and additional reflective asphalt. After about 5 years, those looking into Mercer Street from above or from I-5 would view green ribbons cutting through the otherwise urban and concrete environment.

Collectively, the proposed design would enhance the vividness and bring a sense of order and harmonious visual pattern to Mercer Street, resulting in an increase from moderately low to high visual quality.

Westlake Avenue North

Proposed changes to Westlake Avenue North under the proposed project would occur at the Valley and Mercer streets intersections with Westlake and are addressed above (Exhibit 3-33). No additional streetscape or change in lighting is planned (such as street tree planting and change in sidewalk paving material) as part of this project. Therefore all views, vistas, and light and glare would remain unchanged. Westlake visual quality would only slightly increase with the proposed project.

Exhibit 3-33. Viewpoint Looking North on Westlake Avenue at Mercer Street - Existing and Visual Simulation

Terry Avenue North

Exhibit 3-34 shows the changes that would occur on Terry Avenue North with the proposed project. All proposed changes to Terry Avenue North would occur at the Valley and Mercer street intersections and are addressed above in those discussions. No additional streetscape is planned (such as street tree planting, lighting, and change in sidewalk paving material) as part of this project. Therefore, views, vistas, and lighting would remain unchanged under the proposed project. The relatively low level of changes would result in minimal improvement to the visual quality of Terry Avenue North from low to moderately low.

Exhibit 3-34. Viewpoint Looking North on Terry Avenue at Mercer Street - Existing and Visual Simulation

Other Roadways

Other roadway changes in the study area, such as making Ninth Avenue North and Roy Street two-directional with on-street parking, would add uniformity and consistency in motorists' visual understanding of the area but would not substantially add visual features.

What effects on visual quality would occur if nothing were built?

With the No Action Alternative, visual quality would remain low over a longer period of time until redevelopment could gradually make changes in the architectural and landscape elements of the study area. Pedestrian views in particular would continue to be of low visual quality. Because the new development would generally be building-by-building, unifying elements would remain low.

What measures are proposed to avoid or minimize effects on visual quality during construction?

Measures to minimize visual effects during construction will include:

- Allowing businesses to remain open until construction begins or removing buildings as soon as they are vacated to reduce the potential of creating an abandoned, unmaintained appearance.
- Building temporary screen fences along vacated lots to enhance visual uniformity until new buildings can be built and to provide areas to hide construction equipment when not in use.
- Employing BMPs to reduce dust and to keep the area well maintained during construction.
- Keeping one side of Mercer and Valley streets usable for pedestrians and bicyclists to the extent possible.
- Limit the hours of evening construction when possible, to minimize the adverse effects of construction lighting.

What measures are proposed to avoid or minimize effects on visual quality after the project is built?

No mitigation is proposed for the project after completion because all visual quality effects would be beneficial.