



City Council

Approval of a Right-Of-Way Permit Agreement Between the City of Olympia and Well 80 Real Estate, LLC

Agenda Date: 11/14/2017
Agenda Item Number: 4.E
File Number: 17-1058

Type: contract **Version:** 1 **Status:** Passed

Title

Approval of a Right-Of-Way Permit Agreement Between the City of Olympia and Well 80 Real Estate, LLC

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the Right-of-Way Permit Agreement with Well 80 Real Estate, LLC, and authorize the City Manager to sign the agreement. Move to approve a referral to the Land Use and Environment Committee to discuss policies and process for future approval of right-of-way use in alleys and on sidewalks.

Report

Issue:

Whether to enter into a Right-of-Way Permit Agreement for a pilot period of four years between Well 80 Real Estate, LLC and the City of Olympia.

Staff Contact:

Ladd F. Cluff, PLS, City Surveyor, Public Works Engineering, 360.753.8389
Rich Hoey, P.E., Public Works Director, 360.753.8399

Presenter(s):

None - Consent Calendar Item

Background and Analysis:

Well 80 Real Estate, LLC (Well 80) is the owner of Lot 6, Block 53 of Sylvester Town of Olympia (street address of 514 4th Avenue E). Well 80 is developing a new restaurant and microbrewery on the property and has requested the use of the adjacent north-south alley for private outdoor seating and food/beverage service.

While Well 80 holds the underlying fee ownership of the alley, the City controls and maintains the

alley as publicly dedicated right-of-way. In order to use the alley for private purposes, Well 80 must receive approval from the City through a right-of-way permit agreement.

This type of request is not common, but interest is growing as downtown development activity increases. In the absence of adopted guidelines and policies regarding alley use, City staff has evaluated Well 80's request as a potential pilot project.

In reviewing the Well 80 request, staff concluded that the north-south alley is not used for solid waste collection or deliveries and is not useable for other vehicle traffic. There are private utilities in the alley that would need ongoing access. City utilities are located behind Well 80 in the east-west alley.

Following review, staff believes that the proposed use by Well 80 is viable as a pilot project with certain conditions as outlined in the proposed Right-of-Way Permit Agreement. The proposed term of the agreement is four years, with the City retaining the right to cancel the permit at the City's convenience. The City would retain access for public and private utility maintenance as needed, and Well 80 would pay the City \$3,120 each year under the agreement.

As Council considers this individual request, staff also recommends a referral to the Land Use and Environment Committee for an expanded discussion of policies governing the private use of public alleys. Staff also recommends including a review of policies and procedures governing private sidewalk seating in City right-of-way. Staff sees these as related uses.

Neighborhood/Community Interests (if known):

- The alley is not currently usable for vehicle traffic due to above surface utility equipment within the travel way.
- The east-west alley within the Block allows for building and solid waste collection access.
- Residents in the apartments at 512 4th Avenue E have expressed concerns with the current pedestrian traffic and proposed use of the alley.

Options:

1. Approve the Right-of-Way Permit Agreement with Well 80 Real Estate, LLC, and authorize the City Manager to sign.
 - a. The agreement will generate \$3,120 annual revenue for the General Fund.
 - b. Allows the proposed restaurant and brewery to move forward as planned, and create a vibrant use in the alley.
 - c. The City's utility and transportation interests are not negatively impacted.
2. Do not approve the Right-of-Way Permit Agreement.
 - a. Reduces revenue to the General Fund.
 - b. Requires the owner of the restaurant and brewery to alter their development plans.
 - c. Places the burden of maintenance of the right-of-way back on the City.

Financial Impact:

The Right-of-Way Permit Agreement generates (\$3,120) revenue for the General Fund.

Attachments:

Agreement
Proposed Alley Use Plan

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Vicinity Map