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COMMISSION

AGENDA MEMORANDUM Item No. 10c

ACTION ITEM Date of Meeting May 28, 2024

DATE: April 24, 2024

TO: Stephen P. Metruck, Executive Director

FROM: Kelly Purnell, Capital Project Manager, Waterfront Project Management

Kyra Lise, Director Real Estate Development

SUBJECT: Fishermen's Terminal Maritime Innovation Center (C801084) and Site Improvements (C801211) Additional 1% for Public Art Funding

Amount of this request: \$250,000

Total estimated project cost: \$36,858,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to authorize additional funding in the amount of \$250,000 for public art from the Waterfront Art Pool (C801332) for the Fishermen's Terminal Maritime Innovation Center (MInC) (C801084) and Site Improvements (C801211) projects.

EXECUTIVE SUMMARY

In August 2023 Commission authorized construction funding for the renovation of the historic Seattle Ship Supply Building into a cutting-edge, Living Building Challenge (LBC) certified Maritime Innovation Center (MInC) and the associated set of public space site improvements including new wayfinding and monument signage, interpretative signage, and funding public art for the two projects which include a 1% for Art investment yielding three new art works commissioned by the Port for the facility.

The two artists selected for the MInC art installations, Ty Juvinel and Shogo Ota, and the artist selected for the Site Improvements, Mary Coss, are progressing on their installation designs. During the design process, the art project team requested an expanded scope for Shogo Ota's mural and Mary Coss' three-part bronze sculpture to best capture the rich fishing traditions of Fishermen's Terminal and act as a beacon for the public and the industry professionals that work at the site every day. To accommodate the expanded scope of these projects, additional funds are needed.

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JUSTIFICATION

The Fishermen's Terminal Redevelopment will improve a historic property that supports the maritime industry by welcoming the public to parts of the terminal that enhance the understanding and support of the industrial working waterfront. The improvements will also facilitate keeping parts of the facility focused on the industrial needs of the North Pacific Fishing Fleet. The site improvements, including the 1% for Art projects, will enhance the overall property and serve to recognize Fishermen's Terminal as a living community landmark. Each art installation will:

- Create a memorable experience.
- Create a visual landmark.
- Relate to and enhance the surrounding location.
- Support the linkage of the site improvements and the remodeled MInC to the central commercial core of Fishermen's Terminal primarily comprised of the Fishermen's Center Building (C-15 Building), and the parking areas in between them.
- Provide interest day and night.
- Honor the tribal and commercial fishing traditions of the site.
- Create an artwork that is safe for public interaction.

Diversity in Contracting

The MInC and Site Improvements project, including the public art component, has met the 20% of design contracts requirement required by the Living Building Challenge (LBC), and the Project Labor Agreement (PLA) for this project exceeds the LBC requirement for workforce development. In addition to meeting the LBC imperative, the Port Diversity in Contracting Department has established a 12% WMBE goal for the MInC and Public Site Improvements project.

DETAILS

Scope of Work

1% for Art

Maritime Innovation Center:

Two contracts have been executed to commission original works of Art for the MInC.

- Ty Juvinel – A local Coast Salish carver, Cultural preservationist, and artist. Ty has submitted a proposal for a 12-foot laser cut aluminum sculpture depicting Coast Salish traditional purse seining.
- Shogo Ota – A Seattle based graphic designer and artist specializing in murals, event posters and custom illustrations. Shogo has submitted a proposal for a 3,000 square foot, large-scale mural depicting salmon migration that will be located on the west side of Net Shed 3, immediately adjacent to the MInC.

Site Improvements

One contract has been executed to commission an original work of Art for the public space Site Improvements.

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- Mary Coss - A multidisciplinary artist known across the region for her sculptures utilizing many mediums such as stone, metals, neon, and unique applications of light.
 - o Mary will be creating three bronze sculptures of woven fish netting backlit by neon lighting.
 - o These sculptures will be installed in three void spaces of the C-15 building: two will be installed on the north side of the C-15 building and will be visible from the Ballard Bridge; one will be installed on the south side of the C-15 building and will be visible from Emerson Street. This art installation will be coordinated with the C-15 Building Improvements project.

Schedule

MInC and Site Improvements

Activity

Commission initial design authorization 2016 Q4

Design start 2017 Q1

Commission additional design funding authorizations 2019 Q1, 2019 Q2, 2021 Q2, 2022 Q4

Commission authorization for conditional construction 2020 Q4

for execution of \$4.87M Dept. or Commerce grant

Commission construction authorization 2023 Q3

Commission authorization for additional construction 2023 Q4
contingency funds

Construction start 2024 Q2

In-use date 2025 Q4

Cost Breakdown This Request Total Project

Design Includes

MInC \$0 \$3,650,000

Public Site Improvements¹ \$0 \$1,525,505

Environmental Remediation Liability

Soil Remediation \$0 \$500,000

Abatement \$160,000

Construction (includes 1% for Art) MInC & Public Site Impr¹
\$30,772,495

Additional Art Funds² \$250,000 \$250,000

Total³ \$250,000 \$36,858,000

1MInC and Site Improvements were bid as a single package. This funding request is for public art.

2 Art funding calculation has changed as project estimates and final contract values have been finalized.

3Does not account for additional \$5M Dept. of Commerce state grant #19-92201-007.

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ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternatives considered apply to art projects only.

Alternative 1 – Proceed with original scope and budget for public art projects for MInC and Site Improvements.

Cost Implications: \$250,000 is retained in Waterfront Art Pool

Pros:

(1) Retains Art Pool funding for other projects across the Maritime Division.

Cons:

(1) Existing budget only supports smaller projects with less visual impact.

(2) Does not realize potential for highly impactful public art projects.

This is not the recommended alternative.

Alternative 2 – Increase public art projects budget to support more impactful public art scope.

Cost Implications: \$250,000 withdrawn from Waterfront Art Pool.

Pros:

(1) Provides for much more visually impactful public art projects in the maritime art portfolio.

(2) Enhances Fishermen's terminal as a community landmark and asset.

(3) Provides better linkage between the MInC and the core of Fishermen's terminal at the C-15 building.

(4) Provides linkage to interpretive signage program.

Cons:

(1) More expensive than the original public art scope.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Cost Estimate/Authorization Summary Capital Expense Total

COST ESTIMATE

Previous estimate \$36,608,000

(MInC and Site improvements bid as \$35,715,000
one package)

Public Art \$233,000

ERL: Soil Remediation \$500,000

ERL: Abatement \$160,000

Current Change (including 1% for Art)

MInC Building & Site Improvements \$250,000 \$0 \$250,000

Revised estimate (including 1% for Art) \$36,858,000

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MInC Building & Site \$35,948,000

Improvements

Public Art \$250,000 \$500,000

ERL: Soil Remediation \$160,000

ERL: Abatement

AUTHORIZATION

Previous authorizations \$36,608,000

MInC Building & Site \$35,715,000

Improvements

Public Art \$233,000

ERL: Soil Remediation \$500,000

ERL: Abatement \$160,000

Current request for authorization

Public Art \$250,000 \$0 \$250,000

Total authorizations including this request: \$36,858,000

MInC Building & Site

Improvements \$35,948,000

Public Art

ERL: Soil Remediation \$250,000

ERL: Abatement \$500,000

\$160,000

Remaining amount to be Authorized:

MInC Building \$0 \$0 \$0

Site Improvements \$0 \$0 \$0

Annual Budget Status and Source of Funds

The MInC project was included in the 2024 Plan of Finance under C801084 FT Maritime Innovation Center with a total estimated project cost of \$29,320,000. The Public Site Improvements project was included in the 2024 Plan of Finance under C801211 with a total estimated project cost of \$3,141,000. Additional funding for this request will be reallocated from the Waterfront Art Pool (C801332). The Waterfront Art Pool was included in the 2024 Plan of Finance with an amount of \$1.86 million for the entire pool, with \$382,000 specific to the MInC and FT Site Improvement projects.

Both projects are funded by the Tax Levy. The MInC has received a \$5 million contribution towards construction from the State of Washington's Department of Commerce.

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Financial Analysis and Summary

Project cost for analysis \$36,858,000 (Net: \$31.8 million with State Contribution)

Business Unit (BU) Maritime Portfolio Management

Effect on business performance Upon full occupancy, the building is expected to generate (NOI after depreciation) incremental revenue of approximately \$550k per year. A more accurate income forecast will be available upon execution of future lease/operating agreements. The development will increase annual depreciation by approximately \$670K

IRR/NPV (if relevant) NPV: (\$21 + million)

CPE Impact N/A

ADDITIONAL BACKGROUND

N/A

ATTACHMENTS TO THIS REQUEST

(1) Presentation

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- May 28, 2024 – Commission briefing on MInC and Site Improvement interpretive signage program – simultaneous presentation with Additional Art Funding request.
- November 21, 2023 – Commission authorized additional construction funding in the amount of \$4,017,495 to replenish project contingencies for a total project authorization of \$36,608,000.
- August 8, 2023 – Commission authorized \$27,415,000 construction funding for the construction of the Maritime Innovation Center (C801084, U00414) and Public Site Improvements (C801211, U00320).
- November 11, 2022 – Commission authorized an additional \$500,000 in design funding for the proposed Fishermen's Terminal Maritime Innovation Center (C801084, U00414) to complete design and permitting due to a design error that required correction.
- March 08, 2022 – Commission authorization for the Executive Director to invest at least \$5,718,840 into the Maritime Innovation Center (MInC) to provide required matching funds for a United States Economic Development Administration grant in the amount of \$5,000,000.
- May 11, 2021 – Commission authorized an additional \$1,000,000 in design funding for the proposed Fishermen's Terminal Maritime Innovation Center (C801084, U00414) to complete design and permitting; and (2) to execute an amendment to the existing service agreement with Miller Hull Partnership, LLP for Fishermen's Terminal Phased Design Services in the amount of \$2,500,000; for a new Not-To-Exceed (NTE) value of \$6,000,000.

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- March 23, 2021 – Commission authorized Design and Permitting completion of the FT Site Improvements (U00320) Under the New CIP C801211, utilizing \$1,525,505 in formerly authorized funding for the Gateway Building.
- December 8, 2020 – Commission authorized Construction of the MInC as the condition for executing the Interagency Agreement with Washington State Department of

Commerce to allow the acceptance of a \$5M grant towards its construction.

- May 14, 2019 – Commission authorized \$1,850,000 design funding and an amendment to the Fishermen's Terminal Phased Design Services contract, with Miller Hull Partnership LLP, for \$1,000,000 for final planning, design, and permitting for the Maritime Innovation Center.
- January 22, 2019 – The Commission authorized an additional \$1,800,000 in design funding for FT Gateway Building improvements, and the execution of an amendment to the existing Architectural/Engineering Services contract for FT Redevelopment for \$1,000,000 to complete the final planning, design and permitting of the Gateway Building and FT Site Improvements.
- January 8, 2019 – Commission received a briefing regarding Maritime Blue Plan and the Maritime Innovation Center.
- September 26, 2017 – The Commission authorized \$1,325,000 construction funding for the demolition of the existing bank building and Net Sheds 7 and 8. This work has not yet been advertised for bids, per direction by the Commission, pending finalization of a Gateway Building tenant lease agreement.
- December 13, 2016 – Commission authorized an initial \$3,000,000 for the Fishermen's Terminal Redevelopment program planning and design; the total preliminarily estimated design cost was \$7,000,000.
- May 17, 2016 - Commission received a briefing on the planning strategies comprising the Fishermen's Terminal Long-Term Strategic Plan.
- October 27, 2015 - Commission received a briefing about the progress of the stakeholder outreach program for the Fishermen's Terminal Long-Term Strategic Plan.
- August 11, 2015 - Commission received a briefing on the proposed scope and goals in advance of the launch of the planning process.

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