

**SOUND TRANSIT  
STAFF REPORT**

**RESOLUTION NO. R2005-11**

**Surplus Property Exchange – Everett Station**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	5/19/05	Discussion/Possible Action to Recommend Board Approval Action	Phil O'Dell, Director, Project Delivery Support Services	(206) 396-5013
Board Meeting	5/26/05		<b>John T. McLean</b> <b>Sr. Real Estate Representative</b>	(206) 689-4916

**ACTION**

Approve the Chief Executive Officer's declaration as surplus certain real property interests acquired for the Everett Station, and authorize the exchange of those real property interests for other real property interests required for construction of improvements at the Everett Station.

**KEY FEATURES**

- This action seeks only the necessary supplemental authority to transfer to Burlington Northern Santa Fe (BNSF) a fee interest in property Sound Transit has already acquired, as well as to grant easements over other already acquired property.
- Authorization to acquire the BNSF property described herein has already been granted.
- Approval of the Chief Executive Officer's declaration of surplus will allow for the conveyance of surplus property interests at Everett Station to BNSF, which will offset acquisition costs for other station property to be acquired from BNSF.
- Identifies the additional property interests (fee and easements) to be declared surplus, which interests are legally described on Exhibit A.

**BUDGET IMPACT SUMMARY**

There is no action outside of the Board-adopted budget; there are no contingency funds required, no subarea impacts, or funding required from other parties other than what is already assumed in the financial plan.

**BUDGET DISCUSSION**

This action would result in the exchange of property interests, which are already owned by Sound Transit, for other property interests at Everett Station that are needed to complete the project. Sound Transit will receive fair market value for the easements and fee interests to be conveyed, which value will offset the acquisition cost of the new property. The current Board-adopted budget for the Everett Station project includes \$7.4 million for right-of-way acquisition, of which \$7.1 million has been obligated. The proposed property exchanges will be completed within the phase budget.

A more complete description of the properties and transactions is provided in the history section of this report. The acquisition values for specific interests are appropriate for discussion with Board members in executive session.

**REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS**

The proposed action is consistent with the current Board-adopted budget and is affordable within Sound Transit’s current long-term financial plan and the subarea financial capacity.

**BUDGET TABLE**

The following project budget information is included to provide context for this proposed action.

**Action Item: Surplus property exchange between BNSF and ST for Sounder Commuter Rail Everett Multimodal Station project (#201), \$s in thousands**

	Adopted 2005 Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
Agency Administration	1,672	\$ 937	\$ -	\$ 937	\$ 735
Preliminary Engineering	1,190	1,190		1,190	0
Final Design	1,171	1,231		1,231	(60)
Right of Way	7,402	7,133	-	7,133	269
Construction	14,683	5,410		5,410	9,273
Contingency	755	-	-	-	755
<b>Total Current Budget</b>	<b>26,873</b>	<b>\$ 15,900</b>	<b>\$ -</b>	<b>\$ 15,900</b>	<b>\$ 10,973</b>

**Notes:**

- (A) Project budget shown on page 94 of the adopted 2005 budget book.
- (B) Committed to-date amount includes actual outlays and commitments through March 22, 2005.
- (C) This action does not include a specific dollar amount.

**M/W/DBE – SMALL BUSINESS PARTICIPATION**

Not applicable for this action.

## History of Project

### Prior Board or Committee Actions and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
R2003-17	Authorizes the Chief Executive Officer to acquire, dispose, lease and transfer certain real property interests by negotiated agreement, negotiated purchase, by condemnation (including settlement), condemnation litigation, or entering administrative settlements, and to pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary for the acquisition of various properties owned by Burlington Northern Santa Fe Railway and required for the Everett-to-Seattle Segment, the Lakewood-to-Tacoma Segment, and its possible extension.	09/25/03
R2000-10	Authorized the Executive Director to acquire, dispose, or lease certain real property interests by negotiated purchase or by condemnation and to pay eligible relocation and reestablishment costs as needed for the construction and operation of commuter rail facilities for the Everett to Seattle Commuter Rail Project.	06/08/00
R2000-03	Authorized Executive Director to acquire, dispose, or lease certain real property interests by negotiated purchase or by condemnation for the construction of a transportation center located at Smith Avenue and Pacific Avenue in Everett.	03/03/00
M2000-05	Selected the project to be built and transmitted it to the FTA as the "Locally Preferred Alternative."	01/13/00

In order to build and operate a high-capacity transit system consisting of commuter rail service, light rail service and a program of regional express bus service, high occupancy vehicle improvements, and park-and-ride facilities throughout the central Puget Sound region, it will be necessary for Sound Transit to acquire real property. Pursuant to Sound Move, Sound Transit proposes to design, build, and operate the Sounder Commuter Rail system along the I-5 corridor, extending service between Everett and Lakewood in Pierce County.

This request involves the conveyance of an additional portion ("Trillium II") of the Trillium Property, which had been acquired in 2000 for the Everett Station. The Board approved the conveyance to BNSF of a portion of the Trillium Property ("Trillium I") in R2003-17. When approval was sought at that time, staff reported that it would return to the appropriate governing body if the transaction substantially changed. The subsequent addition to the transaction of the Trillium II conveyance and the Easements conveyance makes necessary this request for authorization, which is within the five million dollar authority of the Finance Committee to grant. The dispositions will be made pursuant to Central Puget Sound Regional Transit Authority Real Property Disposition Policy, Procedures and Guidelines.

This action seeks (1) the approval of the Chief Executive Officer's Declaration of Surplus Property, a copy of which is attached as Exhibit B, and (2) the necessary supplemental authority to transfer to BNSF certain fee interests Sound Transit has already acquired, as well as grant easements over other already acquired property. Sound Transit wants to convey to BNSF certain agency property rights in exchange for property rights needed for siting the platform, storage track and a portion of the pedestrian sky bridge required at the Everett Station. Authorization to acquire the property from BNSF was granted in Resolutions No. R2000-03 and R2000-10.

Sound Transit will transfer in fee to BNSF a 12-foot 5-inch strip of property, comprising an area of 11,223 square feet ("Trillium I"), subject to an airspace corridor easement of about 140 square feet, and an additional strip of property, comprising 2,191 square feet ("Trillium II"). The strips represent surplus property not included in Sound Transit's design for the future parking lot to be constructed east of the mainline track at Everett Station. BNSF has further requested an additional two easements over Sound Transit property to access its property east of the Everett Station tracks (the "Easements").

In exchange for conveying the above-described property interests, Sound Transit will receive an easement for 21,152 square feet on the west side of the BNSF track, which easement will be used to site the station platform and a portion of the layover yard, together with an airspace corridor easement comprising 1,880 square feet. The cost for this acquisition will be offset by the value of the above described conveyances. Additionally, Sound Transit will obtain a spur line operating easement off of the main line track comprising 46,070 square feet. The acquisition of these various property interests will not result in the relocation of any businesses.

Sound Transit has obtained appraisals and environmental investigative studies of the properties to be acquired and those to be conveyed. These various evaluations have been completed and fair market value established according to the Sound Transit's Real Property Policy, Procedures and Guidelines (Real Estate Policy) as adopted by the Sound Transit Board in Resolution No. R98-20 on April 23, 1998.

Because the property interests to be conveyed to BNSF were acquired with FTA funds, staff is seeking FTA approval of the proposed conveyance. This request for authorization is made subject to obtaining the requisite FTA approval.

### **CONSEQUENCES OF DELAY**

Delay of several months in approval of the action could delay scheduled construction of the project. Disapproval of the action would prohibit the project from being constructed as planned.

### **PUBLIC INVOLVEMENT**

The project this property is required for is covered by the 1999 FEIS for the Everett-Seattle Commuter Rail project prepared by Sound Transit and an earlier EIS prepared by the City of Everett for the Everett Station development. Both of these EIS's included extensive public review and outreach.

### **LEGAL REVIEW**

JDW 5/11/05

## **SOUND TRANSIT**

### **RESOLUTION NO. R2005-11**

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority approving the Chief Executive Officer's declaration as surplus certain real property interests and authorizing the conveyance of those surplus real property interests to Burlington Northern Santa Fe by negotiated agreement as necessary for Everett Station.

WHEREAS, a Regional Transit Authority, hereinafter referred to as Sound Transit, has been created for the Pierce, King, and Snohomish County region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, on November 5, 1996, at a general election held within the Central Puget Sound Regional Transit Authority district, the voters approved local funding for high capacity transit in the Central Puget Sound Region; and

WHEREAS, on June 13, 2000, the Sound Transit Board passed Resolution R99-35, establishing Policies, Procedures and Guidelines for the Disposition of Surplus Real Property; and

WHEREAS, in order to acquire the properties determined to be necessary for the construction, operation and maintenance of project improvements required under Sound Move, the board has authorized Sound Transit to acquire by negotiated purchase or to condemn certain rights in the property remaining to be acquired for public purposes for the construction, operation, and permanent location of Everett Station; and

WHEREAS, the Capital Projects Department of Sound Transit has determined that certain agency property interests in and around its project at the Everett Station are not required for the project; and

WHEREAS, Sound Transit has previously identified certain real properties as necessary for the construction and permanent location of the Everett Station; and

WHEREAS, Sound Transit may offset costs of acquiring property interests required for the Everett Station project by surplus and selling certain property interests, reasonably described in Exhibit A of this resolution; and

WHEREAS, the Chief Executive Officer has declared the properties identified on Exhibit A to be no longer necessary for present or future project purposes and that their fair market value is in excess of \$200,000 but less than \$5,000,000, a copy of which declaration is attached hereto as Exhibit B and;

WHEREAS, in order to acquire the properties determined to be necessary for the construction, operation, and permanent location of the Everett Commuter Rail Station, it is necessary for Sound Transit to acquire by negotiated purchase or to condemn certain lands and rights in property for public purposes, and to pay eligible relocation and re-establishment benefits to affected parties; and

WHEREAS, Sound Transit has commissioned or will commission appraisals to determine the fair market value of the properties to be conveyed, and will continue to negotiate in good faith with the purchaser of the properties authorized to be conveyed by negotiated purchase; and

WHEREAS, the funds necessary to acquire the property by voluntary purchase or to pay just compensation adjudged due after condemnation and the funds necessary to pay eligible relocation and re-establishment costs shall be paid from Sound Transit general funds, to the extent that the acquisition costs cannot be offset by the fair market value of the property interests to be conveyed; and

WHEREAS, the property interests to be conveyed to Burlington Northern Santa Fe (BNSF) were acquired with Federal Transit Administration (FTA) funds, staff must obtain FTA approval prior to the proposed conveyance.

NOW THEREFORE BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority as follows:

SECTION 1. The declaration of the Chief Executive Officer, attached hereto as Exhibit B, is hereby approved. The real property interests described in Exhibit A are to be regarded as surplus and the Chief Executive Officer is directed to execute such agreements as are customary and necessary for the conveyance of those same real property interests to BNSF. The value of said property interests shall to be used to offset property acquisition costs at the Everett Station. In accordance with Sound Transit's adopted Real Property Acquisition and Relocation Policies, Procedures and Guidelines, the conveyance of the surplus properties shall not be for less than the fair market value to be determined through the appraisal process or as provided in Section 2 herein; provided that in the event the total of the acquisition, relocation, and re-establishment costs of the properties for the Everett Station project exceeds Sound Transit's approved budget for right-of-way acquisition (plus contingency), then the Chief Executive Officer shall obtain approval from the appropriate committee or the Board, per Resolution No. 78-1, before the acquisition of the property for the Everett Station by purchase or by condemnation and the payment of eligible relocation and re-establishment costs.

SECTION 2. The Chief Executive Officer or her designee is hereby authorized to negotiate the sale of the real property interests described in Exhibit A. Such transactions shall reduce the cost of acquisitions authorized for the project.

SECTION 3. The Sound Transit Board deems the Everett Station to be a public use for a public purpose. The Board deems it useful and in the best interests of the citizens residing within Sound Transit's boundaries to convey the property identified in Exhibit A to facilitate the construction, operation, and permanent location of Everett Station (said properties are described in Exhibit A and incorporated herein by reference).

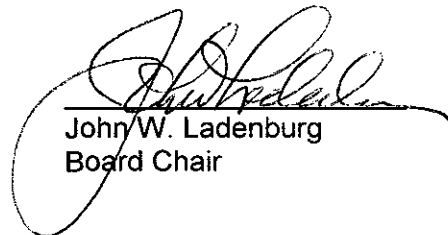
SECTION 4. The Sound Transit Board of Directors finds that the public health, safety, necessity, convenience, and welfare demand and require that the properties described in Exhibit A be immediately conveyed for the construction, operation, and permanent location of the Everett Station.

SECTION 5. In addition to the authority granted the Chief Executive Officer in Section 1 above, the Chief Executive Officer is also authorized to make minor amendments to the legal descriptions of the properties described in Exhibit A, as may be necessary to correct scrivener's errors and/or to conform the legal description to the precise boundaries of the property not required for the Project.


SECTION 6. The Chief Executive Officer is authorized to execute all documents necessary to sell and convey to the Burlington Northern Santa Fe Railroad those property interests conveyed pursuant to this resolution.

SECTION 7. This request for Board Committee authorization is made subject to staff's obtaining the requisite FTA approval.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 26, 2005.

  
John W. Ladenburg  
Board Chair

ATTEST:

  
Marcia Walker  
Board Administrator



**EXHIBIT A**

**TRILLIUM PROPERTY TO BNSF**

The west 12.42 feet of ALTA survey AFN 200110185002, records of Snohomish County, Washington.

Area = 11084 square feet more or less

**TRILLIUM PROPERTY II**

Commencing at the Northwest Corner of Record of Survey AFN 2000110185002, Records of Snohomish county; thence N 89° 19' 37" E along the Northerly line of said survey, 12.86 feet to the Point of Beginning; thence S 15° 38' 35" E, 118.46 feet; thence N 74° 18' 58" E, 18.92 feet; thence N 15° 40' 03" W, 113.40 feet to the Northerly line of said survey; thence S 89° 19' 37" W along said Northerly line, 19.54 feet to the Point of Beginning.

Area = 2191 square feet more or less

**INGRESS/EGRESS EASEMENT – BNSF PROPERTY SOUTH**

Commencing at the Southeast Corner of Record of Survey AFN 2000110185002 Records of Snohomish County; thence N 15° 38' 35" E along the easterly line of said survey, 20.67 feet to the Point of Beginning; thence continuing North along said easterly line 30.83 feet; thence S 89° 24' 22" W, 82.84 feet; thence S 24° 37' 24" W, 55.88 feet to the Southerly line of said survey; thence N 89° 00' 50" E along said southerly line, 37.33 feet; thence N 15° 38' 37" W, 20.67 feet; thence N 89° 00' 50" E, 82.69 feet to the Point of Beginning.

Area = 3430 square feet more or less

**BNSF INGRESS/EGRESS EASEMENT NORTH**

Commencing at the Northeast corner of Record of Survey AFN 200110185002, Records of Snohomish County; thence S 15° 38' 35" E, along the easterly line of said Record of Survey, 52.41 feet to the POINT OF BEGINNING; thence S 77° 40' 21" W, 30.47 feet; thence N 88° 17' 29" W, 129.22 feet; thence S 74° 18' 58" W, 134.90 feet; thence S 15° 40' 03" E, 24 feet; thence N 74° 18' 58" E, 131.24 feet; thence S 88° 17' 29" E, 164.92 feet to a point on the easterly line of said Record of Survey; thence N 15° 38' 35" W, along said line, 32.89 feet to the Point of Beginning.

Area = 7224 square feet more or less.