

**SOUND TRANSIT
STAFF REPORT**

RESOLUTION NO. R2006-14

**Acquisition of Real Property Interests Required for the
North Link - Roosevelt Station**

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	6/15/06	Discussion/Possible Action To Recommend Board Approval	Phil O'Dell, Director, Project Delivery Support Services	(206) 398-5013
Board	6/22/06	Action	Roger Hansen, Real Estate Division Manager	(206) 689-3366

Contract/Agreement Type:	✓	Requested Action:	✓
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	
Agreement with Other Jurisdiction(s)		Budget Amendment	
Real Estate	✓	Property Acquisition	✓

PROJECT NAME

North Link – Roosevelt Station

PROPOSED ACTION

1. Authorizes the Chief Executive Officer to acquire, dispose, or lease certain real property by negotiated purchase, by condemnation (including settlement of condemnation litigation) or entering into administrative settlements, and to pay eligible relocation and re-establishment benefits to affected parties as necessary for staging and station area construction for the North Link - Roosevelt Station.
2. Amends the Adopted 2006 Budget to include acquisition of properties described in Exhibit A as an authorized use of the Regional Fund Contingency.

KEY FEATURES of PROPOSED ACTION

- Authorizes the Chief Executive Officer to acquire, lease and/or dispose of the Pryde Johnson Roosevelt LLC (Pryde Johnson) property located at 6600 Roosevelt Way N.E. in the City of Seattle, which is needed for the North Link - Roosevelt Station and construction staging area.
- Authorizes the Chief Executive Officer to pay relocation and re-establishment benefits to eligible property owners and tenants affected by Roosevelt Station construction.
- Amends the Adopted 2006 Budget to include acquisition of properties described in Exhibit A as an authorized use of the Regional Fund Contingency.

- Directs staff to return to the Board to ratify the budget in the amount of the total expenditure for actions taken pursuant to this resolution within sixty (60) days of the completion of said action.
- Sound Transit can now initiate negotiations with the property owner following issuance of a Record of Decision by the Federal Transit Administration (FTA) on June 6, 2006.

BUDGET IMPACT SUMMARY

Project Name: North Link
 Current Project Phase: Preliminary Engineering complete
 Projected Completion Date: TBD

Action Outside of Adopted Budget:	✓	Comments on Checked Items
This Project		
This Phase		
This Task		
Budget Amendment Required	✓	A budget amendment is required to fund this acquisition through the Regional Fund Contingency.

Key Financial Indicators:	✓	Comments on Checked Items
Contingency Funds Required		
Funding required from other parties (other than what is in financial plan)		

Not checked = action is assumed in current Board-adopted budget. No budget action or adjustment to financial plan required.

BUDGET and FINANCIAL PLAN DISCUSSION

The proposed action would authorize acquisition of real property as needed for the Roosevelt Station and construction staging area.

This action authorizes the use of the Regional Fund Contingency for the acquisition of the subject property. The Regional Fund Contingency (see page 236 of the Adopted 2006 Budget) includes \$19.9 million.

The Adopted 2006 Budget for the Regional Fund Strategic Property Acquisition Program will be increased when the purchase price and related relocation and re-establishment costs are known. This total dollar amount will be amended in the 2006 budget when ratified by the Board as directed under this action.

The proposed action is affordable within the agency’s long-term financial plan and subarea financial capacity, and will have no new revenue impact on Sound Transit.

The acquisition costs of specific parcels are appropriate for discussion with board members in executive session.

BUDGET TABLE

Not applicable to this action.

M/W/DBE – SMALL BUSINESS PARTICIPATION

Not applicable to this action.

PROJECT DESCRIPTION and BACKGROUND for PROPOSED ACTION

In order to build and operate a high capacity transit system consisting of commuter rail service, light rail service and a program of regional bus service, HOV improvements, and park-and-ride lot facilities throughout the Central Puget Sound region, it will be necessary for Sound Transit to acquire real property. Sound Transit's authorizing legislation grants the agency the power of eminent domain to accomplish such acquisitions.

Certain property has been identified as necessary for the Roosevelt Station construction and for construction staging based upon the current level of design. The proposed action would authorize the protective acquisition of one (1) full property parcel and the payment of relocation benefits to eligible affected owners and tenants.

The North Link Final Supplemental Environmental Impact Statement (SEIS) was issued on April 7, 2006. On April 27, 2006 the Board selected the final North Link route and station locations, including the 12th Avenue alignment and Roosevelt Station. The Federal Transit Administration (FTA) issued a Record of Decision for North Link on June 7, 2006 completing compliance with the National Environmental Policy Act (NEPA).

Certain property is being developed for mixed use at 6600 Roosevelt Way, N.E. (the "Pryde Johnson property"). This parcel is at the location of the Roosevelt Station. The real property identified in this requested action is included in Exhibit A attached.

Sound Transit can now initiate negotiations with the property owner following the issuance of a Record of Decision by the FTA.

Sound Transit's Strategic Property Acquisition Program enables the agency to acquire properties utilizing Regional Fund resources on an interim basis to preserve right-of-way necessary for Sound Transit projects that are not budgeted. To be eligible for the program, the following criteria must be met and an analysis must be provided for the Board to use to determine whether the acquisition should proceed using Regional Fund resources.

Criteria

Property is Necessary to Implement a Sound Transit Project

The property is needed for station construction and staging area for the Roosevelt Station for the future extension of North Link from the University of Washington Station to Northgate. This parcel is critical for the staging of construction of this cut-and-cover station and the handling of tunnel spoils which would be removed from this site. Part of the permanent below ground station structure and one station surface entrance would be located on the eastern portion of this parcel, once built.

Environmental Process Completed

The North Link Final SEIS was issued on April 7, 2006. A Record of Decision was issued on June 7, 2006.

FTA Approval, if Applicable

Sound Transit staff can now proceed with acquisition following the issuance of the Record of Decision by FTA.

Analysis

Rationale for early property acquisition

The owner/developer of the Pryde Johnson Property has taken substantial steps to develop mixed use buildings at 6600 Roosevelt Way, N.E. These steps include the following: completed the early design guidance process and participated in a design review by the Design Review Board in December 2005 initiating public design review and received approval of a master use permit on April 13, 2006. The proposed development would include retail space such as a grocery store, approximately 201 units of new housing and below grade parking for 408 vehicles.

As discussed above, the entire property is needed for the construction and construction staging for the Roosevelt Station for the North Link Project. The proposed mixed-use development would preclude this transit use of the Property. Sound Transit's protective acquisition of the properties will prevent the imminent development of the parcels needed for a proposed transportation site.

Projected costs and extent to which costs may be recovered if property is not used and is sold

The acquisition costs of specific parcels are appropriate for discussion with board members in executive session. Acquisition costs will be partially offset through continuation of the existing lease on the property. If the property is not used for a Sound Transit project, all or a substantial portion of the acquisition cost of the property would be expected to be recouped through the sale of the property.

Information learned from due diligence (e.g., appraisal, environmental assessment)

Sound Transit has not conducted any environmental due diligence or an appraisal of the property at this time. Sound Transit will conduct Phase I and if warranted, Phase II environmental assessments of the property to be acquired and will adjust the fair market value of the property accordingly to reflect the presence of and remediation costs associated with hazardous materials or contamination on the property to be acquired.

Prior Board/Committee Actions on this Project and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
R2006-07	(1) Selected the final route, profile, and station locations for the North Link Light Rail Project; (2) selected the University Link portion of North Link to be constructed and operated as part of the Central Link Light Rail Project, including authorizing the steps necessary to complete final design and implementation of the University Link Project including securing a federal Full Funding Grant Agreement; (3) increased the University Link lifetime Adopted 2006 Budget and revising the annual Adopted 2006 Budget; and (4) for planning purposes reduced the minimum debt service coverage for the North King County subarea to 1.15x for the University Link Finance Plan.	4/27/06
R2005-06	Identified the 12th Avenue alternative as the preferred Roosevelt route and station location for the North Link Light Rail Project.	1/27/05
M2003-33	Directed staff to complete additional work on North Link route alternatives in order to provide the Board with more comprehensive information for its North Link route decision-making process.	3/13/03
M2002-69	Authorized staff to modify the set of route alternatives in the North Link Draft Supplemental Environmental Impact Statement.	5/23/02
M2002-13	Selected route alternatives for inclusion and study in the North Link Draft Supplemental Environmental Impact Statement excluding less promising route alternatives for further study	2/24/02
M2001-104	Directed staff to reevaluate route alternatives from Convention Place Station to Northgate and approved the North Link work program and budget needed to complete this effort.	9/27/01
R78-1	Establishing revised delegated authority and procedures for the procurement of materials, work and services and acquisition and use of property and property rights for the Authority and superseding Resolution No. 78	4/9/98

CONSEQUENCES of DELAY

If acquisition of the property is delayed, imminent private development will substantially increase the cost of property acquisition and would preclude transit use of the property.

PUBLIC INVOLVEMENT

Maps of the proposed construction staging areas for North Link were made available to the public in the North Link Draft Supplemental EIS in November 2003, the North Link 2005 Draft SEIS in October 2005 and the Final SEIS in April 2006. Additionally, the public has had numerous opportunities to attend meetings over the past several years related to the following topics: station design, noise, SEIS, public comments on preferred route choices, and station area planning (in coordination with the City of Seattle).

Over the years, the Roosevelt community has strongly supported the 12th Avenue alternative as the preferred Roosevelt route and station location for the North Link Light Rail Project. In January 2005, the Sound Transit Board identified the 12th Avenue alternative as the preferred Roosevelt route and station location for the North Link Light Rail Project. This station location was confirmed in the Board's final route selection in April 2006.

Sound Transit project development and real estate staff continue to meet with property owners, business owners and tenants adjacent to the route and stations in Capitol Hill, the University District, Roosevelt and Northgate to discuss light rail project progress and design, real estate acquisition and relocation processes and listen to individual and neighborhood concerns about the project.

Several public open houses were held in October 2004 and January 2005 in the Roosevelt, University District, Northgate, Montlake, First Hill and Capitol Hill neighborhoods to seek input on station design and other issues. Public hearings on the North Link 2005 Draft Supplemental EIS took place November 9 and 10, 2005.

ENVIRONMENTAL COMPLIANCE

JI 5/11/06

LEGAL REVIEW

JB 6/9/06

SOUND TRANSIT

RESOLUTION NO. R2006-14

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority (1) authorizing the Chief Executive Officer to acquire, dispose, or lease certain real property by negotiated purchase, by condemnation (including settlement of condemnation litigation) or entering into administrative settlements, and to pay eligible relocation and re-establishment benefits to affected owners and tenants as necessary for staging and station area construction for the North Link - Roosevelt Station; and (2) amending the Adopted 2006 Budget to include acquisition of properties described in Exhibit A as an authorized use of the Regional Fund Contingency.

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, Sound Transit is authorized to acquire and dispose of property for the construction of high capacity transportation facilities under RCW 81.112.080; 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, in order to acquire the properties determined to be necessary for the construction, operation and maintenance of project improvements required under Sound Move, it is necessary for Sound Transit to acquire by negotiated purchase or to condemn certain rights in the property for public purposes, and to pay eligible relocation and re-establishment benefits to affected parties; and

WHEREAS, by Resolution No. R2006-07, adopted on April 27, 2006, the Sound Transit Board of Directors selected the alignment and station locations for North Link as an extension of the Central Link Light Rail project and certain properties have been identified as necessary for the North Link Roosevelt Station construction and for construction staging based upon the current level of design; and

WHEREAS, environmental compliance pursuant to the State Environmental Policy Act (SEPA) for North Link was completed with the North Link Final Supplemental Environmental Impact Statement (SEIS) issued on April 7, 2006, and environmental compliance pursuant to the National Environmental Policy Act (NEPA) by the Federal Transit Administration (FTA) has been completed with the issuance of a Record of Decision for North Link on June 7, 2006; and

WHEREAS, the parcel identified in Exhibit A is at the location of the Roosevelt Station identified in the adopted project. Negotiations to purchase properties and relocate affected owners and tenants can now begin following the issuance of the Record of Decision by the FTA; and

WHEREAS, the Sound Transit Board has amended the financial policies to include a Strategic Property Acquisition Program to acquire properties for projects that are not budgeted, utilizing Regional Fund resources on an interim basis; and

WHEREAS, Sound Transit staff have ascertained that the Pryde Johnson Roosevelt LLC property meets the criteria of the Strategic Property Acquisition Program policy.

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

Section 1. The Chief Executive Officer is hereby authorized to execute such agreements as are customary and necessary for the acquisition, lease, or disposal of the real property interests described in Exhibit A, and for the payment of eligible relocation and re-establishment costs of said property that has been identified as necessary to construct the Roosevelt Station within the North Link project of Central Link Light Rail. In accordance with Sound Transit's adopted Real Property Acquisition and Relocation Policies, Procedures, and Guidelines, the acquisition price of the property shall not exceed the fair market value to be determined through the appraisal process.

Section 2. The Chief Executive Officer is hereby authorized to settle condemnation litigation or enter administrative settlements (a settlement in lieu of initiating condemnation litigation) for the acquisition of the real property interests described in Exhibit A. Such settlements shall be made only upon the finding of legal counsel that the settlement is consistent with the law and is reasonable, prudent, and in the public interest. Such settlements shall not exceed established project budgets. For all other settlements proposed, the Chief Executive Officer shall obtain prior approval of the appropriate committee or the Board of Directors, per Resolution No. 78-1.

Section 3. The Sound Transit Board deems the North Link Project, including the Roosevelt Station, to be a public use for a public purpose. The Board deems it necessary and in the best interests of the citizens residing within Sound Transit's boundaries to acquire the property identified in Exhibit A as being necessary for the purpose of construction, operation, and permanent location of the Roosevelt Station as selected by the Board following completion of the North Link Final Supplemental Environmental Impact Statement (SEIS).

Section 4. The Sound Transit Board finds that the public health, safety, necessity, convenience, and welfare demand and require that the property described in Exhibit A be immediately acquired, condemned, appropriated, taken, and damaged for the purpose of construction, operation, and permanent location of the Roosevelt Station as selected by the Board following completion of the North Link Final SEIS.

Section 5. In addition to the authority granted the Chief Executive Officer in Section 1 above, condemnation proceedings are hereby authorized to acquire all, or any portion thereof, of the properties and property rights and/or rights in those of the properties described in Exhibit A for the purpose of constructing, owning, and operating a permanent location of the Roosevelt Station. The Chief Executive Officer is also authorized to make minor amendments to the legal descriptions of the property 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 required for the project.

Section 6. The funds necessary to acquire the property by purchase or to pay just compensation adjudged due after condemnation shall be paid from the Sound Transit Regional Fund Contingency.

Section 7. The Adopted 2006 Budget is hereby amended to include the strategic acquisition of the properties described in Exhibit A as an authorized use of the Regional Fund Contingency.

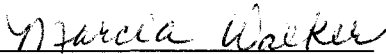
Section 8. The Chief Executive Officer is hereby directed to return to the Board to ratify the budget in the amount of the total expenditure for actions taken pursuant to this resolution within sixty (60) days of the completion of said action.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on June 22, 2006.



John W. Ladenburg
Board Chair

ATTEST:



Marcia Walker
Board Administrator

ACQUISITIONS

Contract Segment

C200- North LinkPage 1.

R/W #	Tax Parcel #	Owner/Contact
NL-705	3658700135	Pryde Johnson Roosevelt LLC

C 200 North Link

Segment	Order No.	R/W No.	Owner/Contact	Parcel #	Site Address
<i>C200</i>	119208	NL-705	Pryde Johnson Roosevelt, LLC a Washington limited liability company	365870-0135-02	6600 Roosevelt Way NE Seattle WA 98115

LOTS 1 THROUGH 24, IN BLOCK 2, JAMES DIVISION OF GREENLAKE ADDITION TO THE CITY OF SEATTLE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 4 OF PLATS, AT PAGE 41, RECORDS OF KING COUNTY, WASHINGTON.