

MOTION NO. M2016-04

Purchase and Sale Agreement for Property Disposition

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	01/14/2016	Final Action	Ahmad Fazel, DECM Executive Director Kevin Workman, Director of Real Property Patrick Sullivan, Sr. Real Property Agent

PROPOSED ACTION

Authorizes the chief executive officer to execute a purchase and sale agreement with Leon C. Bloxham and Elizabeth Haid Garrett for surplus property located at 2605 18th Avenue South, Seattle, Washington, for \$455,000. This property received multiple offers and should the transaction fail to close, this action also authorizes the chief executive officer to sign a purchase and sale agreement with another qualified buyer for an amount not below the appraised value of \$380,000.

KEY FEATURES SUMMARY

- This action authorizes the chief executive officer to execute a purchase and sale agreement to sell property located at 2605 18th Avenue South, Seattle, WA.
- The property in this action was identified as excess to Sound Transit needs by the Real Property Utilization Committee. The chief executive officer has declared the property surplus and the Board approved the declaration of surplus under Resolution No. R2015-07.
- Sound Transit received multiple offers for this property. The buyers listed above submitted the highest and best offer. Should the sale fail to close, this action authorizes the CEO to execute a purchase and sale agreement with another qualified buyer for an amount not below the appraised value of the property of \$380,000.

BACKGROUND

The property is a single family home located in the Beacon Hill neighborhood of Seattle. The agency acquired the property in 2010 as part of a settlement agreement with the previous owner. In March 2009 a sink hole formed on the surface on the property. Upon investigation the sink hole was discovered to be caused by a subsurface void created by over excavation of soils in connection with construction of the Beacon Hill Tunnel. A total of two voids were discovered on the property and remediated by Sound Transit contractors. The voids were filled with controlled density fill, a high density and durable grout. As part of a settlement agreement with the property owners, Sound Transit agreed to purchase the property and provide relocation assistance to the owners. Restoration of the property is complete and the property is no longer needed for investigation and/or remediation of voids. Sound Transit provided a detailed Exploration and Grouting Operations Report to all interested buyers summarizing its investigation and remediation activities.

Sound Transit listed the property on the Northwest Multiple Listing Service (MLS #861941) and held an open house on November 7, 2015. The agency received multiple bids for the property. The property is being sold as-is. Sound Transit will retain a tunnel easement under the property.

In 2013, the Sound Transit Board adopted a Real Property Excess, Surplus, and Disposition Policy that delegated authority to the chief executive officer to establish an internal review process and appoint an internal Real Property Utilization Committee. In accordance with Federal Transit

Administration (FTA) requirements, the Committee reviews and categorizes Sound Transit's excess real property inventory and recommends excess real properties to be declared surplus. The internal review process includes consideration of requests and referrals from outside parties, such as developers, non-profit organizations, and local jurisdictions.

FISCAL INFORMATION

Sound Transit's long-term financial plan has assumed the sale of surplus property as a source of additional revenue to the subareas. To the extent that surplus properties are not sold, revenue and financial capacity is reduced and the agency incurs ongoing maintenance costs.

SMALL BUSINESS/DBE PARTICIPATION AND APPRENTICESHIP UTILIZATION

Sound Transit promotes and encourages small business participation, which also includes Disadvantaged Business Enterprises (DBEs). Small Business and DBE goals are based upon an examination of subcontracting opportunities contained in the work of this contract and the number of Small Businesses/DBEs available to perform such subcontracting work.

Sound Transit determined that Small Business/DBE goals were not established or required.

PUBLIC INVOLVEMENT

Not applicable to this action.

TIME CONSTRAINTS

A one-month delay could jeopardize Sound Transit's ability to complete the sale of this property.

PRIOR BOARD/COMMITTEE ACTIONS

Resolution No. R2013-30: Adopted a Real Property Excess, Surplus, and Disposition Policy and superseding Resolution No. R99-35.

Resolution No. R2003-04: Authorized the executive director to acquire, dispose, or lease certain real property interests by negotiated purchase, by condemnation, by settling condemnation litigation or entering administrative settlements, and to pay eligible relocation and re-establishment benefits to affected parties as necessary for a portion of the Central Link Light Rail.

Resolution No. R2015-07: Approved the chief executive officer's declaration that real property acquired for the Initial Segment of the Central Link Light Rail project is surplus and is no longer needed for a transit purpose and will be competitively marketed to interested purchasers.

ENVIRONMENTAL REVIEW

Jl 12/23/2015

LEGAL REVIEW

JV 01/11/2016

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A motion of the Capital Committee of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to execute a purchase and sale agreement with Leon C. Bloxham and Elizabeth Haid Garrett for surplus property located at 2605 18th Avenue South, Seattle, Washington, for \$455,000. This property received multiple offers and should the transaction fail to close, this action also authorizes the chief executive officer to sign a purchase and sale agreement with another qualified buyer for an amount not below the appraised value of \$380,000.

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MOTION:

It is hereby moved by the Capital Committee of the Central Puget Sound Regional Transit Authority that the chief executive officer is authorized to execute a purchase and sale agreement with Leon C. Bloxham and Elizabeth Haid Garrett for surplus property located at 2605 18th Avenue South, Seattle, Washington, for \$455,000. This property received multiple offers and should the transaction fail to close, this action also authorizes the chief executive officer to sign a purchase and sale agreement with another qualified buyer for an amount not below the appraised value of \$380,000.

APPROVED by the Capital Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on January 14, 2016.


Fred Butler
Capital Committee Chair

ATTEST:


Kathryn Flores
Board Administrator