

RESOLUTION No. R2018-43
Surplus Property Declaration for Beacon Hill TOD Parcel

MEETING:	DATE:	TYPE OF ACTION:	STAFF CONTACT:
Capital Committee	12/13/2018	Final Action	Don Billen, Executive Director of PEPD Brooke Belman, Director of Land Use Planning & Development Edward Butterfield, Sr. TOD Project Manager Thatcher Imboden, TOD Manager

PROPOSED ACTION

Approves the chief executive officer’s declaration that real property originally acquired for the Central Link Extension light rail project is surplus and is no longer needed for a transit purpose.

KEY FEATURES SUMMARY

- In accordance with Sound Transit’s Real Property Excess, Surplus, and Disposition Policy, a property can be declared surplus when it is determined by the chief executive officer that certain real property is no longer needed for present or future transit purposes. If the fair market value of such real property exceeds \$200,000, approval by the Board Capital Committee is required. If the fair market value of such real property exceeds \$5,000,000, Board approval of the declaration is required.
- This action approves the chief executive officer’s declaration that a portion of a parcel owned by Sound Transit adjacent to the Beacon Hill Link Station, located at approximately 17th Avenue and Lander Street in Seattle, Washington is no longer required for a transit purpose and is declared surplus.
- The appraised fair market value of the surplus site is \$260,000.
- Sound Transit received an unsolicited proposal for the surplus site at issue that was reviewed through the agency’s Unsolicited Proposal Procedures.

BACKGROUND

The proposed Beacon Hill TOD property for surplus action consists of 2,256 square feet (the “Surplus Site”) and is part of a larger parcel (the “Parcel”) at 17th Avenue and Lander Street with a total parcel size of 7,975 square feet. The Parcel was obtained as part of the Central Link Extension project in 2003 for the Beacon Hill Link Station and construction staging. Originally, the Parcel consisted of three separate properties that were consolidated in 2010. Federal funds were used in purchasing all of the original properties. The Parcel now includes facilities that support the adjacent Beacon Hill Link Station, including a headhouse and vent shaft. The remaining balance of the Parcel, not utilized for station facilities, was maintained in an unimproved condition upon completion of construction. The Surplus Site encompasses the unimproved section of the Parcel.

Sound Transit received an unsolicited proposal in August 2017 from Pacific Housing Northwest, LLC (the “Developer”) to purchase the Surplus Site to incorporate it into an adjacent planned mix-use development called the Colina that is located on privately-owned property that the Developer controls. The proposed development scope encompasses the construction of two separate buildings with ground level retail and a combined 136 residential units with 20 percent of the units designated for affordable housing.

After a formal evaluation of the Developer's proposal and qualifications, Sound Transit advertised the receipt of the unsolicited proposal and offered the opportunity for other proposals to be submitted, with priority given to any proposals from Qualified Entities (non-profit developers, housing authorities, or local jurisdictions) for development as affordable housing, in accordance with RCW 81.112.350. No responses were received from Qualified Entities expressing interest in the property. The conclusion of the unsolicited proposal review process was authorization from Sound Transit's CEO to negotiate the terms and conditions for a purchase and sale agreement between Sound Transit and the Developer subject to final approval by the Sound Transit Board and FTA. The Capital Committee will be briefed on the key business terms with the Developer at its December 13, 2018, meeting and a motion to approve those terms, to declare the property suitable for housing, and to delegate authority to the chief executive officer to execute a purchase and sale agreement, will be presented at the December 2018 Board meeting.

Sound Transit issued a Predictive Control Letter to the Developer in February 2018, allowing the Developer to begin the permitting process with the City of Seattle. Sound Transit and the Developer have applied for a Lot Boundary Adjustment with the City of Seattle Department of Construction and Inspections to segregate the Surplus Site from the Parcel and to annex it to the Developer's adjacent parcel. Once approved, the Lot Boundary Adjustment will not be recorded unless and until the parties have closed on the property transaction pursuant to a negotiated purchase and sale agreement.

FISCAL INFORMATION

This action has no direct cost impact. The agency's long term financial plan has assumed the sale of surplus property as a source of additional revenue to the subareas. Any proceeds from disposal will be used for other qualifying capital projects to offset the original acquisition cost of real property purchased for the project.

SMALL BUSINESS/DBE PARTICIPATION

Not applicable to this action.

PUBLIC INVOLVEMENT

Staff has coordinated with the Developer on public outreach efforts including Early Design Guidance meetings with the City of Seattle and community members on the planned mix-use development.

TIME CONSTRAINTS

A one-month delay would not create a significant impact.

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. R2000-04: 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 the South Light Rail Project.

ENVIRONMENTAL REVIEW

KH 12/5/18

LEGAL REVIEW

NM 12/7/18

RESOLUTION NO. R2018-43

A RESOLUTION of the Capital Committee of the Central Puget Sound Regional Transit Authority approving the chief executive officer's declaration that real property originally acquired for the Central Link Extension light rail project is surplus and is no longer needed for a transit purpose.

WHEREAS, the Central Puget Sound Regional Transit Authority, commonly known as Sound Transit, was formed under chapters 81.104 and 81.112 of the Revised Code of Washington (RCW) for the Pierce, King, and Snohomish Counties region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, Sound Transit is authorized to plan, construct, and permanently operate a high-capacity system of transportation infrastructure and services to meet regional public transportation needs in the Central Puget Sound region; and

WHEREAS, in general elections held within the Sound Transit district on November 5, 1996, November 4, 2008, and November 8, 2016, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, the Sound Transit Board by Resolution No. R2000-04 authorized the chief executive officer 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 Extension light rail project; and

WHEREAS, Sound Transit acquired the real property for the Central Link Extension light rail project ("Subject Property"), which is part of a larger parcel located at 17th Avenue and Lander Street, in Seattle, Washington, for the Central Link Extension light rail project in 2003; and

WHEREAS the larger parcel containing the Subject Property was acquired in part with Federal Transit Administration (FTA) funds and therefore Sound Transit will consult with FTA regarding the manner of conveyance or disposition; and

WHEREAS, the Subject Property is no longer required for a transit purpose upon completion of the project; and

WHEREAS, the Subject Property, generally depicted in Exhibit A, has been declared surplus by the chief executive officer; and

WHEREAS, Sound Transit's Real Property Disposition Policy, Procedures, and Guidelines require that the Sound Transit Capital Committee approve the surplus property declaration if the value of the property exceeds \$200,000 and that the Sound Transit Board approve the surplus declaration if the value of the property exceeds \$5,000,000; and

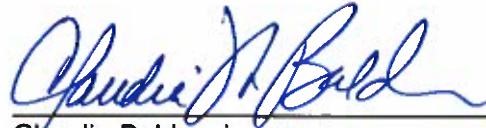
WHEREAS, the appraised fair market value of the Subject Property is \$260,000; and

WHEREAS, the agency's long term financial plan has assumed the sale of surplus property as a source of additional revenue to the subareas and proceeds from this transaction would be recorded as miscellaneous revenue in the South King County subarea; and

WHEREAS, Board approval will be sought for any future agreement and/or disposition related to the Subject Property.

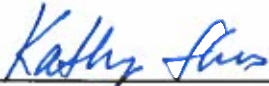
NOW THEREFORE BE IT RESOLVED by the Capital Committee of the Central Puget Sound Regional Transit Authority that the Subject Property depicted in Exhibit A is no longer needed for a transit purpose and is declared surplus.

ADOPTED by the Capital Committee of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on December 13, 2018.



Claudia Balducci
Capital Committee Chair

ATTEST:



Kathryn Flores
Board Administrator

