

## Resolution No. R2023-26

## Early acquisition of Property for the Tacoma Dome Link Extension and Operations and Maintenance Facility South Project

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee Board	08/10/2023 09/28/2023	Recommend to Board Final action	Brooke Belman, Deputy CEO, Chief Expansion Delivery Officer Ron Lewis, DECM Executive Director Curvie Hawkins, Project Director- HCT Development Faith Roland, Director-Real Property

## **Proposed action**

Authorizes the chief executive officer to acquire certain real property interests, contingent on receipt of any necessary federal approvals, including acquisition by condemnation to the extent authorized by law, and to reimburse eligible relocation and reestablishment expenses incurred by affected owners and tenants as necessary in order to secure properties for construction, operation, and maintenance of the Tacoma Dome Link Extension and the Operations and Maintenance Facility South project.

## **Key features summary**

- Authorizes the early acquisition of five parcels of real property, held under two ownerships, located in the City of Federal Way.
- Four of the parcels, owned by the Christian Faith Center, are needed to accommodate the
  Operations and Maintenance Facility (OMF) South Preferred and South 344<sup>th</sup> Street alternatives.
  One of the parcels, owned by Belmor Mobile Home Park LP ("Belmor"), is needed for all Tacoma
  Dome Link Extension (TDLE) alternatives and OMF South Preferred and South 344th Street
  alternatives.
- The properties subject to this action are identified in Exhibit "A" attached. Sound Transit seeks
  to acquire the Belmor property as an early property acquisition for either OMF South or TDLE.
  Sound Transit also seeks to acquire the Christian Faith Center property to minimize hardship being
  experienced by the property owner and their tenant from the OMF South project.
- Sound Transit is scheduled to complete the Final Environmental Impact Statements for OMF South and TDLE in 2024 and 2026, respectively.
- Sound Transit staff has requested approval from the Federal Transit Administration (FTA) to
  acquire the properties prior to completion of environmental review. Staff initiating acquisitions
  after Board authorization to acquire is contingent on receiving all such necessary approvals.
  The FTA is evaluating the proposed Belmor early acquisition and the proposed Christian Faith
  Center early acquisition separately.

- Authorization of this action will not limit the Board's choice of alternatives under consideration for TDLE or OMF South.
- The TDLE and OMF South projects will require relocations, the extent of which will depend on the projects selected to be built. The acquisition of the property in and of itself will not require relocations. Relocations will not be initiated until after environmental review is complete for TDLE or OMF South, as applicable. However, should a hardship exist prior to completion of environmental review, Sound Transit will work with those impacted to assure they have access to relocation advisory services and other eligible relocation benefits.

## **Background**

A new OMF is needed in the South corridor to receive, store and service a larger light rail vehicle fleet to support future Link light rail extensions to Tacoma, West Seattle and throughout the region.

An operations and maintenance facility is where light rail trains go 24 hours a day, 365 days a year for cleaning and care. To build this new facility, Sound Transit needs approximately 60-70 acres near an operating light rail line.

As part of system expansion plans, Sound Transit plans to construct a total of four OMFs across the region. In addition to this future facility in South King County (OMF South), Sound Transit currently services the existing light rail vehicle fleet at a central facility on South Forest Street in Seattle, and at a second facility in Bellevue (OMF East). Sound Transit will also construct another OMF along the Everett Link Extension (OMF North).

Environmental review for the OMF South is currently underway. Sound Transit published a Draft Environmental Impact Statement (EIS) under the State Environmental Policy Act (SEPA) in 2021 that studied three alternatives: Midway Landfill, South 336<sup>th</sup> Street, and South 344<sup>th</sup> Street. After considering the Draft EIS analysis and comments received, the Sound Transit Board identified the South 336<sup>th</sup> Street alternative as the Preferred Alternative. FTA and Sound Transit published a National Environmental Policy Act (NEPA) Draft EIS / SEPA Supplemental Draft EIS in September 2023. A NEPA/SEPA Final EIS is anticipated to be published in 2024. The Sound Transit Board will select the project to be built following publication of the Final EIS. FTA is anticipated to issue its Record of Decision thereafter.

Environmental review for TDLE is also currently underway. TDLE would expand Link light rail transit service from the Federal Way Downtown station to the Tacoma Dome. The project corridor is approximately 10-miles long. Sound Transit is currently studying multiple alternatives along the corridor. The northern portion of the corridor includes a Preferred Alternative and a design option. Both alternatives impact the same parcels, but to different extents. Sound Transit and FTA are preparing a NEPA/SEPA Draft EIS for TDLE that is anticipated to be published in 2024. A Final EIS is planned to be published in 2026. The Sound Transit Board would select the project to be built following publication of the Final EIS. FTA is anticipated to issue its Record of Decision thereafter.

The Christian Faith Center property is necessary for both the OMF-South preferred alternative and the South 344<sup>th</sup> Street alternative. The Christian Faith Center sent a letter to the board earlier in the year outlining the hardship the OMF South project has caused, and it requested that Sound Transit begin the property acquisition process. A portion of the Belmor property is necessary for all TDLE project alternatives and the OMF South Preferred Alternative and South 344th Street Alternative.

Sound Transit has requested approval from the FTA for these early acquisitions. The FTA is evaluating the early acquisition requests for the respective projects separately. FTA approval would allow Sound Transit to proceed with acquisition of the property even though the environmental review process for the Tacoma Dome Link Extension and OMF South project are not yet complete. The early acquisition will not limit the Board's final choice of alternatives for either project.

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Following Board approval of necessity, and contingent on FTA approval of the early acquisitions, staff will pursue acquisition of the property.

Sound Transit will acquire the property, by condemnation, if necessary, as needed for the construction, operation, and maintenance of the Tacoma Dome Link Extension and the Operations and Maintenance Facility South. Sound Transit's authorizing legislation grants the agency the power of eminent domain to accomplish such acquisitions when efforts to reach agreement with property owners reach an impasse.

## **Project status**

Project Identification	Alternatives Identification	Conceptual Engineering/ Draft EIS	Preliminary Engineering/ Final EIS	Final Design	Construction			

Projected completion date for Final Environmental Impact Statements: TDLE – Q4 2026; OMF South - Q2 2024

Project scope, schedule and budget summary are located on page 109 of the June 2023 Agency Progress Report.

#### **Fiscal information**

The authorized project allocation for the combined Tacoma Dome Link Extension and Operations and Maintenance Facility - South projects is \$299,117,000. Within that amount \$143,641,000 has been allocated to the right of way phase, of which \$1,538,107 has been previously committed. There is \$142,102,893 of uncommitted funds in the right of way phase, which is sufficient to complete the proposed action.

In accordance with Sound Transit policy, budgets for specific parcels will be discussed with the Board in executive session. Consistent with the current estimate at completion for real property acquisition, this action and acquisitions of remaining certified properties are affordable within the adopted budget.

The current cost estimate for Tacoma Dome Link Extension is \$4.7 billion in 2023\$ and is affordable within the Agency's Finance Plan by 2035. This action is in alignment with Resolution R2021-05 and does not impact the affordability of any other system expansion project.

The last complete cost estimate for Operations & Maintenance Facility South is \$1.4 billion in 2023\$. The recently received draft preliminary engineering cost estimate is reflecting upward market cost pressures; however, this action is affordable within the Agency's Finance Plan by 2029 and is in alignment with Resolution R2021-05 and does not impact the affordability of any other system expansion project.

## Disadvantaged and small business participation

Not applicable to this action.

#### **Public involvement**

Not applicable to this action.

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#### **Time constraints**

Delays in approval could result in increased costs associated with the acquisition.

## **Prior Board/Committee actions**

Motion No. M2021-81: Identified the preferred alternative for the Link Operations and Maintenance Facility South Final Environmental Impact Statement.

<u>Motion No. M2019-50</u>: Identified Link Operations and Maintenance Facility South site alternatives for study in the Draft Environmental Impact Statement.

Environmental review - KH 8/3/23

Legal review - PM 8/4/23

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Staff Report



## Resolution No. R2023-26

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority authorizing the chief executive officer to acquire certain real property interests, contingent on receipt of any and all necessary federal approvals, including acquisition by condemnation to the extent authorized by law, and to reimburse eligible relocation and reestablishment expenses incurred by affected owners and tenants as necessary in order to secure a potential site for construction, operation, and maintenance of the Tacoma Dome Link Extension and the Operations and Maintenance Facility South projects.

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, in order to use the property determined to be necessary for the construction, operation and maintenance of project improvements required under the voter approved high capacity transportation system plans, it is necessary for Sound Transit to acquire by negotiated purchase or to condemn certain rights in the property for public purposes, and to reimburse eligible relocation and reestablishment expenses incurred by affected owners and tenants; and

WHEREAS, Tacoma Dome Link Extension and the Operations and Maintenance Facility South project are components of Sound Transit's high-capacity system; and

WHEREAS, Sound Transit has identified certain real properties as necessary for the construction and permanent location of the Tacoma Dome Link Extension and the Operations and Maintenance Facility South projects and such properties are reasonably described in Exhibit A of this resolution; and

WHEREAS, environmental review of the Tacoma Dome Link Extension and the Operations and Maintenance Facility South projects is ongoing and Sound Transit is seeking authorization from the Federal Transit Administration (FTA) to acquire the subject properties prior to completion of such environmental review, and

WHEREAS, acquisition of the properties is contingent upon receiving FTA approval; and

WHEREAS, in order to use the property determined to be necessary for the construction, operation, and permanent location of the Tacoma Dome Link Extension and the Operations and Maintenance Facility South project, it is necessary for Sound Transit to acquire by negotiated purchase or to condemn certain lands and rights in property for public purposes, and reimburse eligible relocation and reestablishment expenses incurred by affected owners and tenants; and

WHEREAS, Sound Transit has commissioned or will commission appraisals to determine the fair market value of the properties, and will negotiate in good faith with the owners of the

properties authorized to be acquired by negotiated purchase or condemned, with the intent of reaching agreements for the voluntary acquisition of the property for fair market value; 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 reimburse eligible relocation and reestablishment expenses shall be paid from Sound Transit general funds.

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

#### SECTION 1. The chief executive officer is hereby authorized to:

- A. contingent upon receipt of any and all necessary federal approvals, execute such agreements as are customary and necessary for the acquisition of interests in the real property described in Exhibit A (said property to be used for Tacoma Dome Link Extension and the Operations and Maintenance Facility South project) and incorporated herein by reference, and for the reimbursement of eligible relocation and reestablishment expenses. In accordance with Sound Transit's Real Property Acquisition and Relocation Policies, Procedures and Guidelines, the acquisition price of the properties may not exceed the fair market value to be determined through the appraisal process; provided that in the event the total of the acquisition, relocation, and reestablishment costs of the properties for the Tacoma Dome Link Extension and the Operations and Maintenance Facility South project exceeds Sound Transit's approved budget for right-of-way acquisition (plus contingency), then the chief executive officer must obtain approval from the appropriate committee or the Board, per Resolution No. R2018-40, before the acquisition of the property for the Tacoma Dome Link Extension and the Operations and Maintenance Facility South project by purchase or by condemnation and the reimbursement of eligible relocation and reestablishment expenses.
- B. settle condemnation litigation or enter administrative settlements (a settlement in lieu of initiating condemnation litigation) for the acquisition of interests in the real property 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 may not exceed established project budgets. For all other settlements proposed, the chief executive officer must obtain prior approval of the appropriate committee or the Board, per Resolution No. R2018-40.
- C. 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 required for the project.
- D. execute into agreements for the disposition of interests in the real property identified in Exhibit A for: (1) the relocation of utilities as necessary or desirable for the Tacoma Dome Link Extension and the Operations and Maintenance Facility South project; (2) the satisfaction of permit conditions or mitigation requirements; (3) the curing of damages to real property acquired pursuant to Exhibit A and caused by the implementation of the Tacoma Dome Link Extension and the Operations and Maintenance Facility South project; or (4) returning real property identified in Exhibit A to previous owners for the purpose of minimizing Sound Transit's costs of operations and maintenance; provided that the foregoing dispositions of real property must be compatible with and must not interfere with regional transit system uses and must avoid the creation of unbuildable, residual parcels whenever possible.

SECTION 2. The Sound Transit Board deems the Tacoma Dome Link Extension and the Operations and Maintenance Facility South project, 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 interests in the real property identified in Exhibit A as being necessary for the construction, operation, and permanent location of Tacoma Dome Link Extension and the Operations and Maintenance Facility South project, and affected owners and tenants be reimbursed eligible relocation and reestablishment expenses associated with displacements from the properties.

<u>SECTION 3</u>. The Sound Transit Board finds that the public health, safety, necessity, convenience, and welfare demand and require that interests in the real property described in Exhibit A be immediately acquired, condemned, appropriated, taken and damaged, for the construction, operation, and permanent location of the Tacoma Dome Link Extension and the Operations and Maintenance Facility South project.

<u>SECTION 4</u>. 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 to the extent permitted by law, for the purpose of constructing, owning, and operating a permanent location of the Tacoma Dome Link Extension and the Operations and Maintenance Facility South project.

<u>SECTION 5</u>. The funds necessary to acquire the property by purchase or to pay just compensation adjudged due after condemnation shall be paid from Sound Transit general funds.

<u>SECTION 6.</u> The authority granted to the chief executive officer in this Resolution may be exercised only upon receipt of any necessary federal approvals.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting

thereof held on September 28, 2023.

Dow Constantine Board Chair

Attest:

Kathryn Flores Board Administrator



# Resolution No. R2023-26 Exhibit A

## **Tacoma Dome Link Extension and Operations and Maintenance Facility South Project**

Item:	Row #:	Tax Parcel #:	Tax Payer(s):	Property Address:
1	OMF150	2121049003	CHRISTIAN FAITH CENTER	33652 20 <sup>TH</sup> AVE S FEDERAL WAY WA 98003
2	OMF151	2121049004	CHRISTIAN FAITH CENTER	33645 20 <sup>TH</sup> AVE S FEDERAL WAY WA 98003
3	OMF152	2121049069	CHRISTIAN FAITH CENTER	1641 S 336 <sup>TH</sup> ST FEDERAL WAY WA 98003
4	OMF156	2121049026	CHRISTIAN FAITH CENTER	33832 PACIFIC HWY S FEDERAL WAY WA 98003
5	OMF102	1621049037	BELMOR MOBILE HOME PARK LP	2101 S 324 <sup>TH</sup> ST FEDERAL WAY WA 98003