# **SoundTransit**

## Resolution No. R2024-07

Early Acquisition of Potential Real Property for the West Seattle Link Extension Project and as applicable also for the Ballard Link Extension Project

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee Board	03/14/2024 03/28/2024	Recommend to Board Final action	Don Billen, PEPD Executive Director Ron Endlich, DECM Project Director <b>Faith Roland, Real Property</b> <b>Director</b>

#### **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 for the West Seattle Link Extension project, and as applicable for the Ballard Link Extension project.

#### Key features summary

- Authorizes the early acquisition of 25 parcels located in Seattle.
- The subject properties have been identified as necessary for potential construction of the West Seattle Link Extension (WSLE) project. And three of the 25 parcels have also been identified as necessary for potential construction of the Ballard Link Extension (BLE) project.
- The list of real property identified in this requested action is included in Exhibit A. The three properties that are necessary for potential construction of WSLE and of BLE are identified in the text box at the top of page 1 of Exhibit A.
- The WSLE project and the BLE project will require relocations, the extent of which will depend on the project 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 WSLE and BLE. 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.
- Sound Transit is scheduled to complete the Final Environmental Impact Statements for WSLE in 2024. Additional details around the timing of environmental review for WSLE and BLE is included below.
- Sound Transit staff has requested approval from the Federal Transit Administration for early acquisition of the properties prior to completion of respective environmental reviews. Board authorization to acquire the properties identified in Exhibit A is contingent on receiving any and all necessary federal approvals, which includes but may not be limited to: (a) FTA concurrence for early acquisition as documented by issuance of a Documented Categorical Exclusion for

such properties; or (b) issuance of a Record of Decision for WSLE, and as applicable issuance of a Record of Decision for BLE (collectively "Federal Approvals").

 Authorization of this action will not limit the Board's choice of alternatives under consideration for WSLE project or the BLE project.

#### Background

The West Seattle and Ballard Link Extension projects (WSLE and BLE, respectively) were approved for funding by voters under the ST3 Plan. The projects will provide fast, reliable light rail connections to dense residential and job centers throughout the region and add a new downtown Seattle light rail tunnel to provide efficient operating capacity for the entire regional system. The extension to West Seattle will operate from downtown Seattle to West Seattle's Alaska Junction neighborhood with four stations and will eventually connect to the Everett Link Extension. The Ballard extension will operate from downtown Seattle to Ballard's Market Street area with nine stations and will include a new rail-only tunnel from the Chinatown/International District to South Lake Union and Seattle Center/Uptown.

In July 2022, through Motion No. M2022-57, the Sound Transit Board identified the preferred alternative for the West Seattle Link Extension and requested further studies of refinements to the preferred alternative. Refinements from the further studies are being incorporated into the WSLE Final Environmental Impact Statements (EIS).

The West Seattle and Ballard Link Extensions (WSBLE) were evaluated together in the WSBLE Draft EIS published in January 2022. As described in the WSBLE Draft EIS, the two extensions will function as two separate lines, with the WSLE connecting to Everett and the Ballard Link Extension (BLE) connecting to Tacoma.

The extensions were initially on the same environmental review timeline. However, given additional environmental review needed for project refinements for BLE resulting from the Sound Transit Board action in March 2023, through Motion No. M2023-18, environmental review for the two extensions will now proceed on different timelines.

WSLE will proceed to a Final EIS, which is anticipated to be published in mid-2024, while a new Draft EIS will be completed for BLE to reflect action through Motion No. M2023-18. The BLE environmental review timeline will be updated when it is available.

The Federal Transit Administration (FTA) approval of these early acquisitions would allow Sound Transit to proceed with acquisition of the property even though the environmental review process for the WSLE project and for the BLE project is not yet complete. The early acquisitions will not limit the Board's final choice of alternatives for either project. Documentation in support of the early acquisitions has been submitted to the FTA for consideration.

Following Board approval of necessity, and contingent on FTA approval of the early acquisitions, staff will pursue acquisition of the properties. In the event that FTA approval of the early acquisitions is not received for some or all of the properties, following Board approval of necessity, and contingent on issuance of the Record of Decision for the WSLE, and as applicable the Record of Decision for the BLE, staff will pursue acquisition of the properties.

Sound Transit will acquire the property rights needed to construct the WSLE project (and as applicable the BLE project). Sound Transit's authorizing legislation grants the agency the power of eminent domain to accomplish such acquisitions. Condemnation will be initiated should negotiations between Sound Transit and the property owners reach an impasse.

Dispositions of real property interests may occur to the extent required for relocating utilities as necessary or desirable for the projects, satisfying permit conditions or mitigation requirements, curing

damages to real property caused by the project, or disposing of real property for the purpose of minimizing Sound Transit's costs of operations and maintenance.

### Project status

#### West Seattle Link Extension



Projected completion date for Preliminary Engineering/Final EIS: Mid-2024

Project scope, schedule and budget summary are located on page 113 of the January 2024 Agency Progress Report.

#### Ballard Link Extension



Projected completion date for Preliminary Engineering/Final EIS: 2026

Project scope, schedule and budget summary are located on page 16 of the January 2024 Agency Progress Report.

#### Fiscal information

The current cost estimate for the West Seattle Link Extension project is \$4.0 billion in 2023\$ and the current cost estimate for the Ballard Link Extension project is \$11.2 billion in 2023\$. This represents the cost estimates updated at the time of Realignment. As these projects are pre-baselined, both the authorized project budget for project development work and a forecasted cost estimate for the remaining project delivery and construction work are reasonably assumed in the existing Long Range Financial Plan forecast.

The authorized project allocation for the West Seattle Link Extension project is \$246,814,363. Within the \$133,153,751 right of way phase allocation, \$2,875,905 has been previously committed. There are \$130,277,846 of uncommitted funds in the right of way phase, which is sufficient to complete the action.

The authorized project allocation for the Ballard Link Extension project is \$729,862,314. Within the \$342,152,250 right of way phase allocation, \$6,071,147 has been previously committed. There are \$336,081,103 of uncommitted funds in the right of way phase, which is sufficient to complete the action.

In accordance with Sound Transit policy, budgets for specific parcels will be discussed with the Board in the 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 project budget.

#### Disadvantaged and small business participation

Not applicable to this action.

#### Public involvement

Since publishing the Draft EIS, the External Engagement team has emailed project updates to interested parties who have signed up through our website and the team has met with property owners and stakeholders upon request. The updates and meetings include project information, what to expect during the acquisition and relocation process and our forecasted project timeline.

The Real Property and External Engagement teams regularly have one-on-one briefings with property owners to answer questions and in some cases to request rights of entry for fieldwork that will inform the ongoing design of the project.

In September 2023, the External Engagement team emailed property owners who may qualify for early acquisition. We offered to meet with them about the design in relation to their property, explain the project timeline, and answer any questions about the potential for early acquisition. Many of those property owners responded and met with staff.

The External Engagement team has regular meetings with the community groups along the alignment, to share project information and answer questions. The Real Property team typically attends, to cover acquisition and relocation inquiries. In October and November 2023, the teams hosted station planning open houses in SODO and West Seattle, respectively, engaging with property owners, tenants, and other interested attendees.

In compliance with state law regarding public notification, Sound Transit mailed certified letters to property owners affected by this action on March 6, 2024. Legal notices of this proposed Board action will be published in the Seattle Times newspaper on March 11, 2024, and March 18, 2024.

#### Time constraints

While a one-month delay would not significantly impact the project schedule, proceeding now allows staff to begin working with these property owners, that may require a longer than normal acquisition and relocation timeline.

#### **Prior Board/Committee actions**

<u>Motion No. M2022-57</u>: Confirmed or modified the preferred light rail route and station locations for the West Seattle Link Extension Final Environmental Impact Statement and requesting further studies in some areas to inform potential additional future Board action to confirm or modify the Preferred Alternative.

<u>Motion No. M2019-104</u>: Recommended additional alternatives for study in the West Seattle and Ballard Link Extensions Draft Environmental Impact Statement.

<u>Motion No. M2019-51</u>: Identified the preferred alternative(s) and other alternatives for study in the Draft Environmental Impact Statement for the West Seattle and Ballard Link Extensions project.

<u>Motion No. M2017-161</u>: Authorized the chief executive officer to execute a Partnering Agreement with the City of Seattle for the West Seattle and Ballard Link Extensions Project.

<u>Resolution No. R2017-32</u>: Amended the Adopted 2017 Budget to create the West Seattle and Ballard Link Extensions Project by (a) establishing the Project Allocation to Date through the completion of the Preliminary Engineering Phase in the amount of \$285,896,000 and (b) establishing the 2017 Annual Budget in the amount of \$4,150,000; (2) authorized the project to advance through Gate 1 within Sound Transit's Phase Gate Process; and (3) established the name of the project as the West Seattle and Ballard Link Extensions Project.

Environmental review – KH 3/1/24 Legal review – MV 3/11/24

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## Resolution No. R2024-07

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 potentially necessary for the West Seattle Link Extension project and as applicable for the Ballard Link Extension project.

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 highcapacity 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, both the West Seattle Link Extension and the Ballard Link Extension projects are components of Sound Transit's high capacity system; and

WHEREAS, Sound Transit has identified certain real properties as necessary for the potential construction and permanent location of the West Seattle Link Extension project, three of these properties have been identified by Sound Transit as also being necessary for the potential construction and permanent location of the Ballard Link Extension project. Such properties are reasonably described in Exhibit A of this resolution with those that are necessary for potential construction and permanent location of both the West Seattle Link Extension project and the Ballard Link Extension project identified in the text box at the top of Exhibit A of this resolution; and

WHEREAS, environmental review of both the West Seattle Link Extension project and the Ballard Link Extension project 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, authorization to acquire the properties is contingent upon receiving for such properties any and all necessary federal approvals, which includes but may not be limited to: (a) FTA concurrence for early acquisition as documented by issuance of a Documented Categorial Exclusion for such properties; or (b) the issuance of a Record of Decision for West Seattle Link Extension project, and as applicable the issuance of a Record of Decision for Ballard Link Extension project (collectively "Federal Approvals"); and

WHEREAS, in order to use the property determined to be necessary for the potential construction, operation, and permanent location for the West Seattle Link Extension project and, as applicable, also the Ballard Link Extension 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 and incorporated herein by reference (such properties to be used for the West Seattle Link Extension project and as applicable for the Ballard Link Extension project), 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 West Seattle Link Extension project (and as applicable the Ballard Link Extension project) exceeds Sound Transit's approved budget for right-of-way acquisition (plus contingency) for such project, then the chief executive officer must obtain approval from the appropriate committee or the Board, per Resolution No. R2023-30, before the acquisition of the property for the West Seattle Link Extension project (and as applicable the Ballard Link Extension 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. R2023-30.
- 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. enter 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 West Seattle Link Extension project (and as applicable the Ballard Link Extension 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 West Seattle Link Extension project (and as applicable the Ballard Link Extension 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.

<u>SECTION 2</u>. The Sound Transit Board deems the West Seattle Link Extension project and the Ballard Link Extension 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 as potential sites for the construction, operation, and permanent location of West Seattle Link Extension project (and as applicable the Ballard Link Extension 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 West Seattle Link Extension project (and as applicable the Ballard Link Extension 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 West Seattle Link Extension project (and as applicable the Ballard Link Extension 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.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on March 28, 2024.

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Attest:

Kathryn Flores Board Administrator



### Resolution No. R2024-07 Exhibit A

#### West Seattle Link Extension (WSLE) – Early Acquisitions Ballard Link Extension (BLE) – Early Acquisitions

The following three properties identified below are necessary for potential construction and permanent location of both West Seattle Link Extension project and Ballard Link Extension project:

#### WS2548 WS5802 WS2550

Item:	Row #:	Tax Parcel #:	Taxpayer(s):	Property Address:
1.	WS2548	7666204531	BNSF	Vacant – S Holgate St Seattle, WA 98134
2.	WS1326	7666204182	BNSF	Vacant – S Forest St Seattle, WA 98134
3.	WS1338	7666204413	BNSF	Vacant – S Walker St Seattle, WA 98134
4.	WS5681	7666203736	Nesor Investment Company	2958 6 <sup>th</sup> Ave S Seattle, WA 98134
5.	WS5680	7666203765	Rosen Investment Company	3200 6 <sup>th</sup> Ave S Seattle, WA 98134
6.	WS5677	1327300012	Alco Investment Company	3300 6 <sup>th</sup> Ave S Seattle, WA 98134
7.	WS5676	7666203785	Alco Investment Company	3400 6 <sup>th</sup> Ave S Seattle, WA 98134
8.	WS5675	7666204155	Rosen Investment Company	3405 6 <sup>th</sup> Ave S Seattle, WA 98134
9.	WS5730	7666204225	2700 4th Avenue South L P	2700 4 <sup>th</sup> Ave S Seattle, WA 98134
10.	WS5751	7666204355	Lander at Sixth LLC	Vacant - S Lander St Seattle, WA 98134
11.	WS5727	7666204245	2700 4th Avenue South L P	2724 4 <sup>th</sup> Ave S Seattle, WA 98134

12.	WS5726	7666204256	Goodleavitt 2730 LLC & 2700 4 <sup>th</sup> Avenue South, LP	2730 4 <sup>th</sup> Ave S Seattle, WA 98134
13.	WS1244	7666703290	Riverside Mill LLC	3800 W Marginal Way SW Seattle, WA 98106
14.	WS2470	7666704005	Integrated Real Estate Serv	2414 SW Andover St Seattle, WA 98106
15.	WS7411	9358000465	Yancy Property LLC	Vacant – SW Yancy St Seattle, WA 98126
16.	WS2550	7666204533	OB Sodo Properties LLC	Vacant – 5th Ave S Seattle, WA 98134
17.	WS5802	7666204550	OB Sodo Properties LLC	1732 4th Ave S Seattle, WA 98134
18.	WS1310	1327300065	Rosen Investment Company	3317 6th Ave S Seattle, WA 98134
19.	WS5691	7666204170	BNSF	400 S Hanford St Seattle, WA 98134
20	WS5694	7666204171	Rosen Investment Company	Vacant – S Hanford St Seattle, WA 98134
21.	WS5687	7674800055	Rosen Investment Company	3223 6 <sup>th</sup> Ave S Seattle, WA 98134
22.	WS1312	1327300066	Rosen Investment Company	3301 6 <sup>th</sup> Ave S Seattle, WA 98134
23.	WS5690	7674800075	Alco Investment Company	300 S Horton St Seattle, WA 98134
24.	WS5693	7666204175	Alco Investment Company	400 S Hanford St Seattle, WA 98134
25.	WS5692	7666204172	Alco Investment Company	400 S Hanford St Seattle, WA 98134