

**SOUND TRANSIT  
STAFF REPORT**

**MOTION NO. M2002-111**

**Settlement of Relocation Assistance Claim for Link Light Rail - Key Bank on First Hill**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	10/3/02	Discussion/Possible Action to Recommend Board Approval Action	Joann Francis, Director, Administrative Services <b>Larry Ellington, Acquisition and Relocation Manager</b>	(206) 689-4934
Board	10/10/02			(206) 398-5026

<b>Contract/Agreement Type:</b>	<b>3</b>	<b>Requested Action:</b>	<b>3</b>
Competitive Procurement		Execute New Contract/Agreement	
Sole Source		Amend Existing Contract/Agreement	
Memorandum of Agreement		Contingency Funds Required	
Purchase/Sale Agreement		Budget Amendment Required	

4 Applicable to proposed transaction.

**OBJECTIVE OF ACTION**

- Authorizing settlement of a relocation claim with Key Bank on First Hill.

**ACTION**

- Authorizes the Executive Director to execute such agreements as are customary and necessary to settle Key Bank's reasonable relocation planning and leasing expenses, including payments to Swedish Hospital, Key Bank's landlord at their replacement site on First Hill, in a total amount not to exceed \$380,000.

**KEY FEATURES**

- Authorizes final settlement agreement and payment of up to \$380,000 to Key Bank for their reasonable relocation planning and lease costs, including payments to Swedish Hospital, Key Bank's landlord at the replacement site.

## **BUDGET IMPACT SUMMARY**

**Project Description:** North Link

**Current Status:** Alternatives analysis

**Projected Completion Date:** 2004

<b>Action Outside of Adopted Budget:</b>	<b>Y/N</b>	<b>Y</b>	<b>Requires Comment</b>
This Line of Business	N		
This Project	N		
This Phase	N		
This Task	N		
Budget amendment required	N		
<b>Key Financial Indicators:</b>	<b>Y/N</b>	<b>Y</b>	<b>Requires Comment</b>
Contingency funds required	N		
Sub-area impacts	N		
Funding required from other parties other than what is already assumed in financial plan	N		

N = Action is assumed in current Board-adopted budget. Requires no budget action or adjustment to financial plan

## **BUDGET DISCUSSION**

The total budget for the North Link Segment from Convention Place Station (CPS) to NE 45<sup>th</sup> Street is \$100,158,573. Within that amount, are included both the budget for the current activity related to alternatives analysis, preliminary engineering, and route selection as well as budget related to previous activity in that segment related to the design-build tunnel (DB235) through First Hill, Capitol Hill and the University District.

The activity contemplated within this action is included within the budget remaining from the DB235 route and there are sufficient funds identified for work identified in this motion. Approval of this motion will not adversely affect budget identified for current work activity in North Link.

## **REVENUE, SUBAREA, AND FINANCIAL PLAN**

This amount is included within the board-adopted budget and is affordable within the agency's current long-term financial plan and sub-area financial capacity. The action will have no new revenue impacts on Sound Transit.

## SUMMARY FOR BOARD ACTION

### Summary for Board Action (Year of Expenditure \$000)

Action Item: Key Bank Relocation

North Link (CPS - 45th NE)	Current Board Adopted Budget (A)	Committed To Date (B)	This Action (C)	Total Committed & Action (D)	Uncommitted (Shortfall) (E)
1 Agency Administration	19,617	16,558		16,558	3,059
2 Preliminary Engineering	35,212	24,585		24,585	10,626
3 Final Design	8,421	9,695		9,695	(1,274)
4 Right of Way	31,105	21,504	380	21,884	9,221
5 Construction	1,784	1,331		1,331	453
6 Construction Services				-	-
7 Third Party Agreements	4,020	816		816	3,205
8 Vehicles				-	-
9 <b>Total Current Budget</b>	<b>100,159</b>	<b>74,489</b>	<b>380</b>	<b>74,869</b>	<b>25,290</b>

#### Phase Budget Detail

10 Key Bank Relocation	380	0	380	380	-
11 Other ROW	30,725	21,504		21,504	9,221
12 <b>Total Phase</b>	<b>31,105</b>	<b>21,504</b>	<b>380</b>	<b>21,884</b>	<b>9,221</b>

#### Contract Budget

	Approved (F)	Date (G)	Proposed Action (H)	Contract Value (I)
13 Key Bank Relocation	0		380	380
14 Contingency			0	-
15 <b>Total</b>	<b>0</b>	<b>0</b>	<b>380</b>	<b>380</b>
16 Percent Contingency	0%	0%	0%	0%

## M/W/DBE – SMALL BUSINESS PARTICIPATION

N/A

## HISTORY OF PROJECT

By Resolution No. R2000-04 adopted April 27, 2000, certain property was identified as necessary to construct the NE 45th Street-to-CPS segment of the Central Link Light Rail Project, including property owned by Key Bank for the First Hill station entrance on Madison. The Executive Director was authorized to acquire, dispose, or lease all real property interests by voluntary agreement or by condemnation and to pay eligible relocation and re-establishment benefits to affected parties as necessary for the construction and operation of the project.

Property owners on First Hill were subsequently notified, and relocation planning was started, for properties considered necessary for tunnel station entrance and construction staging areas. In order to meet Sound Transit's construction schedule anticipated at that time, Key Bank incurred relocation planning expenses, and leased a replacement site on First Hill in May 2001.

Since then, Sound Transit has re-examined the project. On September 27, 2001, the Sound Transit Board authorized staff to complete an 18-24 month North Link Supplemental

Environmental Impact Statement (SEIS) and design effort to analyze alternative routes between downtown Seattle and Northgate.

Key Bank continues to lease the property but has not relocated to the site. Due to Board re-consideration of route, budget, and schedule issues now underway as part of North Link, the Key Bank property will either be no longer necessary to the project or not required until 2005 or later, depending upon future Board action to select a preferred North Link route and construction schedule. Staff proposes to settle Key Bank’s claim for relocation planning and leasing costs associated with their replacement site.

Consistent with Board’s adopted policies for real property acquisition and relocation, and the Executive Director’s authority, the relocation expenses of affected owners are being reimbursed. However, additional Board authority is necessary to settle Key Bank’s claim for reimbursement of certain expenses beyond the Board’s adopted policies and the Executive Director’s authority. These expenses include the payment of reasonable and necessary relocation planning and leasing costs.

**Prior Board or Committee Actions  
and Relevant Board Policies**

Motion or Resolution Number	Summary of Action	Date of Action
Resolution No. R2000-04	Authorize the acquisition of real property and payment of eligible relocation benefits for the Design-Build Contract Segment, from NE 45 <sup>th</sup> St. to Convention Place Station (including property from Key Bank at the First Hill Station)	4/27/00
Resolution No. R99-35	Real property disposition policy, procedures and guidelines	1/13/00

**CONSEQUENCES OF DELAY**

Key Bank continues to incur lease costs for its replacement site. Timely approval of this action will allow Sound Transit settle Key Bank’s relocation claim and avoid potential additional costs.

**REGIONAL PARTNERSHIP AND COOPERATION**

There are no regional partnering activities that would be associated with this action

**PUBLIC INVOLVEMENT**

Maps of the previously proposed construction staging areas in the north corridor were published in the final environmental impact statement (FEIS) and made available to the public in November 1999. Additionally, the public had numerous opportunities to attend meetings on station design, noise, EIS issues, route decisions, and Station Area Planning (in coordination with the City of Seattle). These meetings took place in the University District, Capitol Hill, and First Hill neighborhoods.

Route and station locations are now being revisited as part of the North Link SEIS. Public scoping meetings for the SEIS were held last Fall. Following the Board selection of SEIS alternatives in February 2002, a public workshop was held for the First Hill/Capitol Hill area in March. In May and June, First Hill neighborhood and employee transportation coordinator groups were given updates on the North Link project. The Draft SEIS is expected to be published in December and the identification of a new preferred route by the Sound Transit Board is scheduled for February 2003.

### **LEGAL REVIEW**

JDW 9/25/02

## SOUND TRANSIT

### MOTION NO. M2002-111

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute such agreements as are customary and necessary to settle Key Bank's reasonable relocation planning and leasing expenses, including payments to Swedish Hospital, Key Bank's landlord at their replacement site on First Hill, in a total amount not to exceed \$380,000.

#### **Background:**

By Resolution No. R2000-04 adopted April 27, 2000, certain property was identified as necessary to construct the NE 45th Street-to-CPS segment of the Central Link Light Rail Project, including property owned by Key Bank for the First Hill station entrance on Madison. The Executive Director was authorized to acquire, dispose, or lease all real property interests by voluntary agreement or by condemnation and to pay eligible relocation and re-establishment benefits to affected parties as necessary for the construction and operation of the project.

Property owners on First Hill were subsequently notified, and relocation planning was started, for properties considered necessary for tunnel station entrance and construction staging areas. In order to meet Sound Transit's construction schedule anticipated at that time, Key Bank incurred relocation planning expenses, and leased a replacement site on First Hill in May 2001.

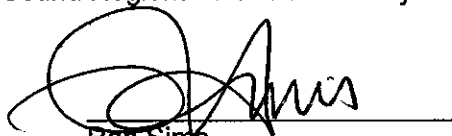
Since then, Sound Transit has re-examined the project. On September 27, 2001, the Sound Transit Board authorized staff to complete an 18-24 month North Link Supplemental Environmental Impact Statement (SEIS) and design effort to analyze alternative routes between downtown Seattle and Northgate.

Key Bank continues to lease the property but has not relocated to the site. Due to Board re-consideration of route, budget, and schedule issues now underway as part of North Link, the Key Bank property will either be no longer necessary to the project or not required until 2005 or later, depending upon future Board action to select a preferred North Link route and construction schedule. As a result, a settlement agreement has been reached with Key Bank to reimburse their reasonable relocation and leasing expenses incurred as a result of Sound Transit's intent to acquire their property.

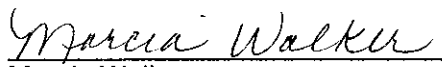
#### **Motion:**

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Executive Director is hereby authorized to execute such agreements as are customary and necessary to settle Key Bank's reasonable relocation planning and leasing expenses, including payments to Swedish Hospital, Key Bank's landlord at their replacement site on First Hill, in a total amount not to exceed \$380,000.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on October 10, 2002.

  
Ron Sims  
Board Chair

#### **ATTEST:**

  
Marcia Walker  
Board Administrator