

**RESOLUTION NO. R2016-06**  
**Surplus Property Declaration for First Hill TOD Parcels**

<b>MEETING:</b>	<b>DATE:</b>	<b>TYPE OF ACTION:</b>	<b>STAFF CONTACT:</b>
Capital Committee	02/11/2016	Recommend to Board	Ahmad Fazel, DECM Executive Director
Board	02/25/2016	Final Action	<b>Kevin Workman, Real Property Director</b> <b>Sarah Lovell, TOD Manager</b>

**PROPOSED ACTION**

Approves the chief executive officer's declaration that certain real property originally acquired for the Central Link Light Rail Project (now part of the University Link Extension) 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 \$5,000,000, Board approval of the declaration is required.
- This action approves the chief executive officer's declaration that two parcels owned by Sound Transit in the First Hill community, located at 1014 Boylston Avenue and 1400 Madison Street in Seattle, WA are no longer required for a transit purpose and are declared surplus.
- It is the intent of staff to sell the proposed surplus properties for a transit-oriented development (TOD) through a competitive procurement process. This process will be conducted according to the Board-adopted Sound Transit TOD Policy and Strategic Plan.
- Staff will return to the Board with the result of the procurement, estimated to be in late summer of 2016.
- The surplus properties consist in aggregate of approximately 21,600 square feet (0.50 acres) fronting Boylston Street and Madison Street near the intersection of Broadway Avenue E. and Madison Street. A map of the parcels in question is provided as Exhibit A.

**BACKGROUND**

Surplus real property disposition occurs in accordance with adopted policies and process. A surplus declaration may be made by the chief executive officer following consideration of the subject property's present or future use for project purposes, with the recommendation of the Real Property Utilization committee and after consideration of the agency's Surplus Real Property Inventory and Utilization Plan. If the fair market value of such real property exceeds \$5,000,000, Board approval of the declaration is required.

The proposed First Hill TOD properties were acquired for Link light rail construction in 2001 for a First Hill Station that was excluded from the final station list. The properties underwent standard review and remediation processes at the time of acquisition, but no additional environmental work was deemed necessary and none has been performed on site since that time. The properties were later transferred from the Central Link project to the University Link Extension.

The chief executive officer has reviewed the possible agency uses for the First Hill properties, and, having considered the agency's Surplus Real Property Inventory Utilization Plan and TOD Strategic Plan, determined that there are no current or future agency uses for the properties.

The proposed method of disposition is to sell the properties and use the proceeds to reduce the gross project cost of another eligible capital project. Proposals will be solicited through an open procurement process managed by Sound Transit; the process is planned to begin in the second quarter of 2016.

Federal Transit Administration (FTA) funds were not used to acquire the properties and therefore Sound Transit is not required to consult with FTA regarding the manner of disposition.

### **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 in the North King County subarea or to offset the original acquisition cost of real property purchased for the project.

### **SMALL BUSINESS/DBE PARTICIPATION, APPRENTICESHIP UTILIZATION, AND TITLE VI COMPLIANCE**

Not applicable to this action.

### **PUBLIC INVOLVEMENT**

Staff have held preliminary briefings with area stakeholders and City personnel. A more intensive public outreach process will begin in early 2016, and will be closely coordinated with the procurement process.

### **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 Central Link Light Rail Project.

### **ENVIRONMENTAL REVIEW**

Jl 2/3/2016

### **LEGAL REVIEW**

JV 2/8/16

**RESOLUTION NO. R2016-06**

A RESOLUTION of the Board of the Central Puget Sound Regional Transit Authority approving the Chief Executive Officer's declaration of surplus real property originally acquired for the Central Link Light Rail Project (now part of the University Link Extension) is surplus and is no longer needed for a transit purpose.

WHEREAS, the Central Puget Sound Regional Transit Authority, hereinafter referred to as Sound Transit, has been created 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 Central Puget Sound Regional Transit Authority district on November 5, 1996 and November 4, 2008, voters approved local funding to implement a regional high-capacity transportation system for the Central Puget Sound region; and

WHEREAS, 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 Light Rail system; and

WHEREAS, Sound Transit acquired the subject properties, located at 1400 Madison Street and 1014 Boylston Avenue in Seattle WA, for Central Link Project purposes in 2001; and

WHEREAS, the properties were later transferred from the Central Link project to the University Link Extension; and

WHEREAS, the subject properties were not acquired using Federal Transit Administration (FTA) funds and therefore Sound Transit is not required to consult with FTA regarding the manner of disposition; and

WHEREAS, the subject real properties will no longer be required for a transit purpose upon

completion of the project; and

WHEREAS, the subject real properties generally depicted and described in attached 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 Board approve the surplus property declaration if the value of the property exceeds \$5,000,000; 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 North King County subarea; and

WHEREAS, negotiation with future developers for the develop of Transit Oriented Development will determine the development program requirements for these properties in advance of disposition; and

WHEREAS, Board approval will be sought for any future agreement and/or disposition related to the subject real property; and

NOW THEREFORE BE IT RESOLVED by the Board of the Central Puget Sound Regional Transit Authority that the subject properties described in Exhibit A are no longer needed for a transit purpose and are declared surplus.

ADOPTED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on February 25, 2016.



Dow Constantine  
Board Chair

ATTEST:



Kathryn Flores  
Board Administrator

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**EXHIBIT A: LEGAL DESCRIPTIONS**

**1014 BOYLSTON AVENUE**

LOT 4 IN BLOCK 135 OF A.A. DENNY'S BROADWAY ADDITION TO THE CITY OF SEATTLE, ACCORDING TO PLAT RECORDED IN VOLUME 6 OF PLATS AT PAGE(S) 40, IN KING COUNTY, WASHINGTON.

**1400 MADISON STREET** LOT 5 AND 8 IN BLOCK 135 OF A.A. DENNY'S BROADWAY ADDITION TO THE CITY OF SEATTLE, ACCORDING TO PLAT RECORDED IN VOLUME 6 OF PLATS AT PAGE(S) 40, IN KING COUNTY, WASHINGTON.

**Figure 1: First Hill TOD context map**



Figure 2: First Hill parcel map

