

# Resolution No. R2025-04

### To Acquire Real Property Interests Required for the Ballard Link Extension Project

Meeting:	Date:	Type of action:	Staff contact:
System Expansion Committee	2/13/2025	Recommend to Board	Terri Mestas, Deputy CEO, Capital Delivery
Board	2/27/2025	Final action	Brad Owen, Executive Director, Capital Delivery
			Clint Dameron, Acting Director, Real Property
			Rhonda Thomsen, Sr. Real Property Project Manager

### **Proposed action**

Authorizes the chief executive officer to acquire certain real property interests, contingent upon receipt of any federal approvals necessary for early acquisition, 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 Ballard Link Extension project.

## **Key features summary**

- Authorizes the acquisition of 1 parcel in fee located in Seattle for the Ballard Link Extension Project.
   The property is a protective acquisition as it is at risk of imminent redevelopment.
- The real property identified in this requested action is included in Exhibit A. The property is needed for construction, maintenance, and operation of the Ballard Link Extension Project for the following alternatives in the Central Segment: DT-1, DT-3a (PA), DT-3a, DT-3b, DT 4.
- The BLE project will require relocations, the extent of which will depend on the project selected to be built. The acquisition of this property in and of itself will not require relocations. Relocations, if any, will not be initiated until after environmental review is complete for 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.
- This action also authorizes the future disposition of any real property interests included in this action
  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.
- Sound Transit staff has requested approval from the Federal Transit Administration (FTA) to acquire
  the property prior to completion of environmental review. Staff initiating acquisitions after Board
  authorization to acquire is contingent on receiving all such necessary approvals.
- Authorization of this action will not limit the Board's choice of alternatives under consideration for BLE project.

### **Background**

The Ballard Link Extension (BLE) will provide fast, reliable light rail connections to dense residential and job centers in the Chinatown-International District, downtown, Interbay, and Ballard neighborhoods. In addition, a new downtown Seattle light rail only tunnel will provide capacity for the entire regional system to operate efficiently. The Ballard Link Extension is part of the regional transit system expansion approved by voters in November 2016. Ballard to downtown adds 7.7 miles of light rail service from downtown Seattle to Ballard. The Ballard Link Extension includes 9 new stations from Chinatown-International District to Ballard. Start of service is scheduled for 2039.

Sound Transit and the Federal Transit Administration published the West Seattle and Ballard Link Extension Draft Environmental Impact Statement (EIS) for public comment on Jan. 28, 2022, followed by a 90-day public comment period. The WSBLE Draft EIS evaluated potential impacts and benefits of the alternatives on the natural and built environment, and transportation systems and identified potential mitigation measures.

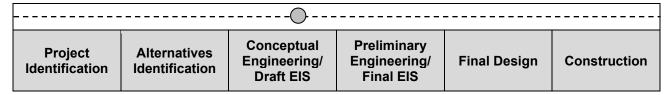
In July 2022, after reviewing the WSBLE Draft EIS and the comments from Tribes, the public and agency partners, the Sound Transit Board identified the preferred alternative for the West Seattle Link Extension (WSLE) on July 28, 2022, and requested further study for the Ballard Link Extension (BLE).

After a period of further studies from July 2022 to February 2023, the Sound Transit Board identified the preferred alternatives for the Ballard Link Extension. On July 27, 2023, the Board modified the preferred location for the Denny Station for the Ballard Link Extension.

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, environmental review for the two extensions will now proceed on different timelines.

A new Draft EIS will be completed for BLE to reflect action by the Sound Transit Board in March 2023. Scoping under NEPA for the new BLE Draft EIS was conducted last fall. The BLE alternatives will be updated, including analysis of the preferred alternative, as well as other refinements and alternatives identified in March and July 2023 board motions. The new BLE Draft EIS will rely and build upon the existing work to date on the WSBLE Draft EIS including all previous scoping comments, public outreach and feedback and environmental analysis. The new BLE Draft EIS publication is anticipated to be in 2025, and the Final EIS likely published in 2026.

## **Project status**



Projected completion date for Construction Phase: 2039

Project scope, schedule and budget summary are located on the Sound Transit website.

### Fiscal information

The current cost carried in the Financial Plan for the Ballard Link Extension Project is \$11.4 billion in 2024\$ with an assumed in-service date of 2039. This represents the project cost updated at time of Board Resolution No. R2021-05, adopted in August 2021. Because of significant cost increases on other projects, the agency is currently updating the cost estimate for this project and the impact of that is yet

unknown.

The authorized project allocation for the Ballard Link Extension project is \$806,620,000. Within the \$410,3801,971 right-of-way phase, \$6,089,268 has been committed; the remaining \$404,291,703 of uncommitted funds within the phase is sufficient to complete this acquisition.

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

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 compliance with state law regarding public notification, Sound Transit will mail a certified letter to the property owners affected by this action. Legal notice of this proposed Board action will be published in the Seattle Times newspaper on February 12 and February 19, 2025.

#### Time constraints

A one-month delay would not create a significant impact to the project schedule, however, the parcel has development permits filed and in process.

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

Resolution No R2024-07: Authorized 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.

<u>Motion No. M2023-57</u>: Confirmed or modified the Denny Station location for the Ballard Link Extension for additional environmental review, including preparation of a Final Environmental Impact Statement.

<u>Motion No. M2023-18</u>: Confirmed or modified the preferred alternative light rail route and station locations for the Ballard Link Extension for additional environmental review, including preparation of a Final Environmental Impact Statement.

Motion No. M2022-57: Confirmed or modified the preferred light rail route and station locations for the West Seattle and Ballard Link Extensions 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.

Resolution No. R2025-04

Staff Report

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

Motion No. M2019-51: 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.

Environmental review - KH 1/28/25

**Legal review –** DLB 2/7/25

Resolution No. R2025-04

Staff Report



### Resolution No. R2025-04

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 upon receipt of any federal approvals necessary for early acquisition, 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 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 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, Ballard Link Extension Project is a component 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 Ballard Link Extension Project and such properties are reasonably described in Exhibit A of this resolution; and

WHEREAS, in order to use the property determined to be necessary for the construction, operation, and permanent location of 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. 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 Ballard Link Extension Project) and incorporated herein by reference, and for the reimbursement of eligible relocation and reestablishment expenses, notwithstanding the provisions of Resolution No. R2021-05. 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 Ballard Link Extension 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. R2023-30, before the acquisition of the property for 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. 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 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 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 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 for the construction, operation, and permanent location of 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 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 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 a two-thirds affirmative vote of the entire membership of the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on February 27, 2025.

Dave Somers Board Chair

Attest:

Kathryn Flores Board Administrator



# Resolution No. R2025-04 Exhibit A

## Ballard Link Extension - Early Acquisition Package #1

Item:	Row #:	Tax Parcel #:	Taxpayer(s):	Property Address:
1	BD1230	1988200115	KEY BANK OF WASHINGTON	434 Queen Anne Ave N Seattle, WA 98109

Resolution No. R2025-04 Exhibit A