Council Meeting Date: September 26, 2022	Agenda Item: 7(e)

# CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

**AGENDA TITLE:** Authorize the City Manager to Approve Real Property Acquisition

for the 145th Corridor Phase 1 Project for Property Located at

14516 1st Avenue NE

**DEPARTMENT:** Public Works **PRESENTED BY:** Tricia Juhnke

**ACTION:** Ordinance Resolution X Motion

\_\_\_\_ Discussion \_\_\_\_ Public Hearing

#### PROBLEM/ISSUE STATEMENT:

Staff is requesting City Council authorization to allow the City Manager to approve the real property acquisitions in excess of the authority delegated to the City Manager. The City Manager's authority to approve real property acquisitions is established in Shoreline Municipal Code (SMC) Section 2.60 and has been amended for the State Route 523 (N/NE 145<sup>th</sup> Street), Aurora Avenue N to I-5, Phase 1 (I-5 Corliss Avenue) project, referred to as to the 145<sup>th</sup> Corridor (Phase 1) Project. The City Manager's purchasing authority for the 145<sup>th</sup> Corridor (Phase 1) Project is now at \$1,000,000 or less, per Resolution No. 476.

The property located at the 14516 1<sup>st</sup> Avenue NE requires a partial acquisition with a temporary construction easement (TCE). In order for the City to proceed with partial acquisition of this property, including offering possession and use agreements, the City Council must authorize the City Manager to approve the purchase. Tonight, staff is seeking this authority for the City Manager.

### **RESOURCE/FINANCIAL IMPACT:**

As with all the acquisitions of the 145<sup>th</sup> Corridor (Phase 1) Project, the values of this property acquisition needing specific approval has been determined by an independent appraisal firm as hired for the project by the City's contracted and WSDOT-approved right-of-way (ROW) consultant. The appraised value of the partial acquisition and TCE is \$1,560,000. The appraisal was also reviewed by the review appraiser hired for the project. The appraisal and appraisal review is available for Council upon request. Funding for the acquisition is being provided by the State Connecting Washington funds and is within the project budget.

### RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to execute the necessary documents to acquire the property at 14516 1<sup>st</sup> Avenue NE at the appraised value for the 145<sup>th</sup> Corridor (Phase 1) Project.

Approved By: City Manager **DT** City Attorney **MK** 

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# **BACKGROUND**

On September 28, 2020, <u>Council authorized obligation of \$11,836,379</u> of the \$12.5 million State Connecting Washington funding available for the 2020-2021 biennium for ROW acquisition for the State Route 523 (N/NE 145<sup>th</sup> Street), Aurora Avenue N to I-5, Phase 1 (I-5 Corliss Avenue) project, referred to as to the 145<sup>th</sup> Corridor (Phase 1) Project.

On December 6, 2021, <u>Council authorized obligation of \$2,467,506</u> of the of the \$12.5 million State Connection Washington funding available for the 2022-2023 biennium for ROW acquisition for the 145<sup>th</sup> Corridor (Phase 1) Project. No City money is being used to acquire the ROW for Phase 1.

The City is currently in the process of acquiring ROW for the 145<sup>th</sup> Corridor (Phase 1) Project. The City Manager's authority to approve real property acquisitions is established in Shoreline Municipal Code Section 2.60 and has been amended for the 145<sup>th</sup> Corridor (Phase 1) Project. Resolution No. 476 established the City Manager's purchasing authority for the 145<sup>th</sup> Corridor (Phase 1) Project at \$1,000,000 or less. This property has been appraised at more than \$1,000,000 exceeding that authority.

### **DISCUSSION**

On May 24, 2021, Council approved the increase in signing authority for three properties for the 145<sup>th</sup> Corridor (Phase 1) Project. Since then, several properties in the project limits have been purchased and assembled into a large parcel for redevelopment. The property owen of the assemble parcel is Shoreline TOD Multifamily, LLC. With the creation of the large parcel, the appraised value of the area where the 145<sup>th</sup> Corridor (Phase 1) Project needs property is more than \$1,000,000. The acquisition will be a partial acquisition with a temporary construction easement (TCE). The ROW Plans that show the assembled properties is attached to this staff report as Attachment A.

City Council authorization is requested to allow the City Manager to approve the real property acquisition in excess of the authority delegated to the City Manager. The acquisition is within the current project limits (Interstate 5 – Corliss Avenue) and has an appraised value of \$1,560,000.

In order for the City to proceed with acquisition, including offering possession and use agreements, the City Council must authorize the City Manager to approve the purchase. The appraisal and appraisal review are available for review in the City Manager's Office upon request. An offer has been made to the identified property owner and has been accepted. Staff is requesting that Council authorize the City Manager to approve purchase of the property.

#### RESOURCE/FINANCIAL IMPACT

As with all the acquisitions of the 145<sup>th</sup> Corridor (Phase 1) Project, the values of this property acquisition needing specific approval has been determined by an independent appraisal firm as hired for the project by the City's contracted and WSDOT-approved

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right-of-way (ROW) consultant. The appraised value of the partial acquisition and TCE is \$1,560,000. The appraisal was also reviewed by the review appraiser hired for the project. The appraisal and appraisal review is available for Council upon request. Funding for the acquisition is being provided by the State Connecting Washington funds and is within the project budget.

# **RECOMMENDATION**

Staff recommends that the City Council authorize the City Manager to execute the necessary documents to acquire the property at 14516 1<sup>st</sup> Avenue NE at the appraised value for the 145<sup>th</sup> Corridor (Phase 1) Project.

# **ATTACHMENTS**

Attachment A: 145th Corridor (Phase 1) Project ROW Plans

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