Council Meeting Date: September 28, 2009 Agenda Item: 7(c)

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Authorization for property acquisition at 17244 Aurora Ave. N. for

the Aurora Project 165th -185th.

DEPARTMENT: City Attorney, Public Works **PRESENTED BY:** Ian Sievers, City Attorney

PROBLEM/ISSUE STATEMENT:

The City has completed design and recently received right of way certification from the Department of Transportation for the Aurora Project 165th-185th. The Project will add sidewalks and amenity zones, dedicated access/transit lanes, street trees, improved storm water facilities, street lighting, undergrounding of utilities and planted medians to this middle mile of Aurora Ave. in Shoreline.

Additional right of way and construction easements have been required from businesses in the project area, and Council has authorized condemnation if a voluntary acquisition cannot be negotiated. These interests were needed from property recently vacated by Aurora Rents at 17244 Aurora Ave. N. (Aurora and 175th), specifically, 11,668 SF of fee interest and 3265 SF of temporary construction easement. The project caused four structures to encroach into the project improvements and required either extensive remodeling or demolition of the site. Compensation for either option was offered by the City, and the owner elected to clear the site for redevelopment.

The owners granted the City possession and use in April, 2009 so the Project could proceed, and requested condemnation be filed before negotiations had reached impasse. Trial is set in the condemnation case for October 26, 2009. Mediation was held on September 10th with the City Attorney, Kris Overleese, Project Manager, the City's appraiser and our right of way agent. The owners participated with their attorneys and appraiser. A tentative agreement was reached settling all claims for compensation, damages, fees and costs. The tentative settlement of \$2,086,500 exceeds the City Manager's property acquisition authority and requires approval of the Council.

Based on the analysis in the confidential memorandum to the Council discussing this acquisition, staff recommends the Council approve the settlement as a fair resolution of this case given the risks of litigation and costs avoided.

FINANCIAL IMPACT:

The funds to pay the proposed settlement are available in the Project Budget.

RECOMMENDATION

Staff recommends that Council approve \$2,086,500 in settlement of compensation for all property interests and damages to property at 17244 Aurora Ave. N. associated with the Aurora Project 165th-185th and the owners' fees and costs associated with the acquisition, and authorize the City Attorney to execute a stipulated decree of appropriation including these terms of settlement.

Approved By:

City Manager City Attorne