Council Meeting Date: November 18, 2013 Agenda Item: 7(b)

CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Adoption of Ordinance No. 677 - Exempting Termination of

Easements and Lease Agreements from City Procedures on Surplusing Real Property and Amending Chapter 3.55 of the

Shoreline Municipal Code

DEPARTMENT: City Attorney's Office

Public Works

PRESENTED BY: Ian Sievers, City Attorney

Mark Relph, Public Works Director

Brian Landau, Surface Water and Environmental Services Manager

ACTION: X Ordinance Resolution Motion

__ Discussion ____ Public Hearing

PROBLEM/ISSUE STATEMENT:

The City has many easements that were dedicated to the City from private property owners for specific purposes, such as drainage. In many cases, these easements no longer serve the function or purpose of a needed easement. Currently, Shoreline Municipal Code (SMC) Chapter 3.55, Sale and Disposal of Real Property, does not address release of utility easements and lease agreements that are no longer needed by the City or a City utility. Nor are these property interests covered by the street vacation process in SMC Title 12. As a result, any termination or release of easement needs to be approved by the City Council on an easement by easement basis.

Ordinance No. 677 allows the City Manager to release easements and leases no longer needed by the City. This will allow for a more expedited process to release easements that have no value to City and will unencumber the private property, which will provide for unrestricted use of the property and enhance the property value.

RESOURCE/FINANCIAL IMPACT:

This ordinance will not have any positive or negative financial impacts to the City other than an increase in taxable value to the property after an easement is removed.

RECOMMENDATION

Staff recommends that the City Council waive Council Rule 3.5B requiring a second reading and adopt Ordinance No. 677 exempting easement and lease agreements from City procedures on surplusing real property and amending Chapter 3.55 of the Shoreline Municipal Code.

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City Manager DT City Attorney CA Approved By:

ATTACHMENTS
Attachment A: Proposed Ordinance No. 677

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ORDINANCE NO. 677

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, EXEMPTING EASEMENTS AND LEASE AGREEMENTS FROM CITY PROCEDURES ON SURPLUSING REAL PROPERTY; AND AMENDING CHAPTER 3.55 OF THE SHORELINE MUNICIPAL CODE

WHEREAS, Shoreline Municipal Code Chapter 3.55, Sale and Disposal of Real Property, does not address release of utility easements and lease agreements that are no longer needed by the city or a city utility; and

WHEREAS, adoption of procedural ordinances are exempt from SEPA under 197-11-800(19); now therefore

THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. Amendment. Section 3.55.010, *Policy and procedures for disposition of city-owned real property*, is hereby amended as follows:

.010 Policy and procedures for disposition of city-owned real property.

A. Policy. The city council declares that it is in the public interest and the policy of the city to dispose of all real property <u>interests</u> in which the city holds a fee, <u>leasehold</u>, <u>easement or license</u> interest, where such property is surplus to its current or future needs, and where such disposition would afford the city a reasonable return from the <u>sale of fee property transaction</u>. For purposes of this chapter, "reasonable return" means sale at an amount equal to, or greater than, the fair market value under SMC 3.55.012. For purposes of this chapter, "surplus property" means both real property for which the city has no current or future need, as well as real property, which, if disposed of, would be put to a higher or better use for the community at large.

[B-C unchanged]

Section 2. New Section. A new section 3.55.013, *Exemptions from requirements of chapter*, is adopted to read as follows:

.013 Exemptions from requirements of chapter.

The city manager may administratively approve the release of an easement or termination of a lease agreement upon determination by the city manager that the easement or lease agreement is no longer needed for existing or future needs of the City.

Section 2. Effective Date. This ordinance shall be in full force five days after publication of this ordinance, or a summary consisting of its title, in the official newspaper of the City, as provided by law.

ADOPTED BY THE CITY COUNCIL ON NOVEMBER 18, 2013.

ATTEST:	Mayor Keith A. McGlashan APPROVED AS TO FORM:
Acting City Clerk	City Attorney