

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 Surplus 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: ☒ 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. A memorandum detailing the particular circumstances of the instrument must be sent to the City Council thirty days prior to the release, which will allow the item to be placed on the council agenda if there are questions or concerns.

DISCUSSION:

Two pending easement release requests serve as examples of when this amendment would be used. The City acquired the Strandberg Reserve from Linda Pym before her death, which included a pedestrian easement over an existing driveway easement crossing the Pym property. The Pym parcel is now in the process of a short plat and the new owner is moving the City's pedestrian easement, at the Park Department's request, to the north parcel line so that it can be developed as a trail and segregated from private vehicle conflicts in the driveway easement. The owner has requested the existing easement be released after plat filing, since it will no longer be needed.

A storm sewer easement is the subject of another property owner's request. In 2011, the City constructed a new stormwater system on NE 147th Street that redirected the City's right-of-way stormwater from an existing drainage easement the stormwater

previously flowed through. As a result of the project, the existing drainage easement on the private property no longer had utility or purpose for the City. The property owners want to use the drainage easement on their property for other purposes, but legally the easement encumbers this section of their property for the City's use. The property owners have requested the City to vacate this easement.

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.

A concern was raised by some Councilmembers that they would continue to be interested in having some oversight over the release of easements. To resolve this, staff has proposed that the City Manager provide notification to the City Council, along with an easement and property report, 30 days in advance of the administrative action being taken by the City Manager to release the easement, as now granted in Ordinance No. 677. This would allow the City Council time review whether they are comfortable with the City Manager releasing the easement administratively. If not, the Council could direct the City Manager to bring the termination or release of the easement or lease before the Council to be reviewed.

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 surplus real property and amending Chapter 3.55 of the Shoreline Municipal Code.

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

ATTACHMENTS

Attachment A: Proposed Ordinance No. 677

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 interests in which the city holds a fee, leasehold, easement or license 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 sale of fee property transaction. 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 is no longer needed for existing or future needs of the City. A memorandum detailing these findings shall be provided to the City Council thirty days prior to release.

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 DECEMBER 9, 2013.

Mayor Keith A. McGlashan

ATTEST:

APPROVED AS TO FORM:

Jessica Smith Simulcik
City Clerk

Ian Sievers
City Attorney

Publication Date:

Effective Date: