Council Meeting Date: March 16, 2020 Agenda Item: 7(f)

# CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

**AGENDA TITLE:** Authorizing the City Manager to Execute the Washington State

Department of Transportation Release of Deed Restriction and City

Covenant to Obtain Fair Market Value or Equivalent Land for Road

**Purposes** 

**DEPARTMENT:** City Manager's Office

**Public Works** 

PRESENTED BY: Juniper Nammi, Light Rail Project Manager

Noel Hupprich, Development Review and Construction Manager

**ACTION:** \_\_\_\_ Ordinance \_\_\_\_ Resolution \_X\_ Motion

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

#### PROBLEM/ISSUE STATEMENT:

Sound Transit is seeking to acquire through intergovernmental property transfer a portion of City Rights-of-Way (ROW) identified as 7<sup>th</sup> Avenue NE, north of NE 185<sup>th</sup> Street, and a triangular portion of NE 185<sup>th</sup> Street, north of the existing sidewalk between 7<sup>th</sup> Avenue NE and 8<sup>th</sup> Avenue NE through proposed Resolution No. 453, which is separately on tonight's agenda for adoption. This City ROW property is proposed as part of a larger site for the construction of the Shoreline North/185<sup>th</sup> Light Rail Station, Garage and Transit Center as currently designed for the Lynnwood Link Extension (LLE) Project.

The majority of 7<sup>th</sup> Avenue NE and NE 185<sup>th</sup> Street (24,068 square feet) is owned in fee by the City of Shoreline and can be transferred to Sound Transit pursuant to RCW Chapter 39.33. This area was transferred to King County in 1986 via a Quitclaim Deed from Washington State Department of Transportation (WSDOT) and includes a restriction that allows the land to only be used for road purposes. WSDOT needs to release the deed restriction in the 1986 Deed so that Sound Transit can use the property for the light rail station and garage, which are not road purposes.

The City and WSDOT mutually drafted a letter (Attachment A) documenting that WSDOT's agreement to release the deed restriction and the City's covenant to use property, or revenue, of equivalent fair market value from this intergovernmental property transfer would be used for road purposes. To comply with the deed restriction on this property, the City would apply the same deed restriction to the new fee owned property received from Sound transit and would use it for road purposes. The Release of Deed restriction to be recorded on title was also mutually developed (Attachment A). WSDOT has signed the letter and would sign the Release of Deed Restriction when needed for recording on title. Tonight, staff is requesting that Council authorize the City Manager to execute this letter and release of deed.

7f-1 Page 1

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

There is no direct financial impact related to this Letter and Release of Deed Restriction between the City and WSDOT. The letter documents the City's covenant to comply with the deed restriction on the portions of City ROW to be transferred Sound Transit. Future City property to be received as compensation from Sound Transit would be restricted to Road purposes through recording of the same deed restriction to the new fee-owned property received from Sound Transit.

#### **RECOMMENDATION**

Staff recommends that the City Council authorize the City Manager to sign the letter covenanting to comply with the road purposes only deed restriction and to execute the Release of Deed Restriction.

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

7f-2

## **BACKGROUND**

The Sound Transit Lynnwood Link Extension (LLE) Project includes the proposed Shoreline South/185<sup>th</sup> Station, which is designed to be located parallel to the I-5 corridor and immediately north of NE 185<sup>th</sup> Street and west of 8<sup>th</sup> Avenue NE. The station is proposed to be located over portions of the I-5 Limited Access Area and the ROW for 7<sup>th</sup> Avenue NE and the northern margin of NE 185<sup>th</sup> Street. The majority of this area is owned in fee by the City and would be transferred to Sound Transit through approval of Resolution No. 453 and the related Property Agreement.

The area of City ROW proposed for transfer to Sound Transit was originally purchased from private property owners for construction I-5. In 1986, property that was acquired by Washington State Department of Transpiration (WSDOT) for realignment of King County roads from the I-5 project was transferred to King County by Quitclaim Deed (Recording No.8603110515), recorded March 11, 1986, and includes a restriction that allows the land to only be used for road purposes. This property was conveyed to the City of Shoreline by operation of law in or about 1995 when the City incorporated. WSDOT needs to release the deed restriction in the 1986 Deed so that Sound Transit can use the property for the light rail station and garage, which are not road purposes.

City Council held a public hearing on the proposed intergovernmental transfer of portions of 7<sup>th</sup> Avenue NE and NE 185<sup>th</sup> Street on March 2, 2020. The draft WSDOT – City of Shoreline letter and draft Release of Deed restriction were included with the staff report and identified by staff as a key step in transferring the property to Sound Transit. The staff report for the March 2, 2020 public hearing can be found online at: <a href="http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2020/staffreport030220-8a.pdf">http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2020/staffreport030220-8a.pdf</a>.

#### **DISCUSSION**

Currently, the property at 7<sup>th</sup> Avenue NE and NE 185<sup>th</sup> Street, proposed for transfer to Sound Transit, is subject to the following restriction that is in the 1986 Deed:

It is understood and agreed that the above referenced property is transferred for road purposes and that all revenue resulting from any vacation, sale or rental of such road shall be placed in the county road fund and used exclusively for road purposes.

WSDOT has agreed to release the deed restriction in the 1986 Deed so that Sound Transit can use the property for the light rail station and garage, which are not road purposes. The City and WSDOT mutually drafted a letter and release of deed restriction to be recorded on title and documenting the City's covenant to use property, or revenue, of equivalent fair market value from this intergovernmental property transfer would be used for road purposes (Attachment A). As a condition of releasing the deed restriction on the portion of City ROW needed for the new light rail Station, WSDOT requires that the City apply the same deed restriction to any new fee owned property received from Sound Transit as compensation. The proposed letter documents the City's agreement to do so.

7f-3

Council directed staff to bring this item back for authorization on the March 16, 2020, consent agenda.

# **STAKEHOLDER OUTREACH**

The need to release the deed restriction was part of the staff report to Council for the public hearing held on March 2, 2020, on proposed Resolution No. 453 to transfer this City ROW to Sound Transit for the Shoreline North/185<sup>th</sup> Station site. No public comment was received.

## **COUNCIL GOAL(S) ADDRESSED**

Proposed Resolution 453 to transfer portions of 7<sup>th</sup> Ave NE and NE 185<sup>th</sup> Street ROW to Sound Transit for the Shoreline North/185<sup>th</sup> Station site supports the 2019-2021 *Council Goal 3 – Continued preparation for regional mass transit in Shoreline.* 

# **RESOURCE/FINANCIAL IMPACT**

There is no direct financial impact related to this Letter and Release of Deed Restriction between the City and WSDOT. The letter documents the City's covenant to comply with the deed restriction on the portions of City ROW to be transferred Sound Transit. Future City property to be received as compensation from Sound Transit would be restricted to Road purposes through recording of the same deed restriction to the new fee-owned property received from Sound Transit.

# **RECOMMENDATION**

Staff recommends that the City Council authorize the City Manager to sign the letter covenanting to comply with the road purposes only deed restriction and to execute the Release of Deed Restriction.

# <u>ATTACHMENTS</u>

Attachment A – WSDOT Release and City Covenant Letter – 7th and 185th

**7f-4** Page 4



Northwest Region 15700 Dayton Avenue North P.O. Box 330310 Seattle, WA 98133-9710 206-440-4000 TTY: 1-800-833-6388 www.wsdot.wa.gov

March 2, 2020 City of Shoreline Contract #: 9628 Release of Deed Restriction – 7<sup>th</sup> Ave NE and portion of NE 185<sup>th</sup> Street

To Whom It May Concern,

This letter is in response to the City of Shoreline's (City) request for the Washington State Department of Transportation (WSDOT) to release a deed restriction that was placed on certain property WSDOT conveyed to King County pursuant to that Agreement entitled GM 1202, dated April 23, 1984, and Quitclaim Deed dated January 10, 1984, recorded March 11, 1986 under King County Auditor's File No. 8603110515 (Deed).

The certain conveyed property are portions of the following roadways: a portion of NE 185th Street between 7<sup>th</sup> Ave NE and 8<sup>th</sup> Ave NE and the portion of 7th Avenue NE, north of NE 185<sup>th</sup> Street, located in Section 5 of Township 26 N, Range 4 E. W.M. (approximately 24,068 square feet), as outlined in orange on the Right of Way Plan attached hereto entitled *SR 5-Seattle Freeway\_185th Street ROW Plan* (hereinafter the Road Property).

The Road Property was conveyed to the City by operation of law in/about 1995 when it incorporated and, the City has been utilizing the Road Property for road purposes since that time. The terms of the Deed limit the City's use of the Road Property to "road purposes" and requires "that all revenue resulting from any vacation, sale or rental of such road shall be placed in the county [City] road fund and used exclusively for road purposes" (Deed Restriction).

Sound Transit desires to utilize this portion of the Road Property for the non-road purposes of constructing, operating, and maintaining a light rail station, light rail track, and light rail related features for Sound Transit's Lynwood Link Extension project. To utilize the Road Property, Sound Transit, as majority fee title property owner of abutting properties, has requested that the City complete an intergovernmental transfer of the Road Property pursuant to the process set forth in chapter 39.33 RCW in exchange for Sound Transit's conveyance of other real property of equivalent market value to the City for public road purposes.

To accomplish this vacation, the City requested WSDOT's release the Deed Restriction so as to allow use of the Road Property for non-road purposes. As a condition of this release, as evidenced by Release of Deed Restriction attached hereto, the City covenants to WSDOT that it shall obtain from Sound Transit fee title to other real property of equivalent fair market value to the Road Property and that the City will encumber the title to said real property with the same language as the Deed Restriction. The City further covenants to WSDOT that in the event the real property acquired by the City from Sound Transit is sold, leased, or vacated the revenues resulting therefrom shall be placed in the City road fund and used exclusively for road purposes.

Subject to the execution of the Release of Deed Restriction, WSDOT releases the Deed Restriction on the Road Property as described herein and as shown outlined in orange on the Right of Way Plans entitled *SR 5-Seattle Freeway\_185th Street ROW Plan* and described in Exhibit B-1 and depicted in Exhibit B-2 of the *Release of Deed Restriction*, attached hereto.

The undersigned hereby certifies that he/she has the authority to execute this document on behalf of the governmental agency that he/she is signing on behalf of.

# **Washington State Department of Transportation**

Mike Cotten Northwest Region Administrator	3.5.2000 Date
City of Shoreline:	
Debbie Tarry City Manager	Date

Attachments:

SR 5-Seattle Freeway\_185th Street ROW Plan Release of Deed Restriction

#### **AFTER RECORDING RETURN TO:**

Washington State Department of Transportation Northwest Region 15700 Dayton Avenue N PO Box 330310 Seattle, WA 98133-9710

#### RELEASE OF DEED RESTRICTION

**Whereas,** by Quitclaim Deed dated January 10, 1984, recorded March 11, 1986 under King County Auditor's File No. 8603110515 (Deed), the Washington State Department of Transportation (WSDOT), a state agency, conveyed certain land on the WSDOT Right of Way Plans entitled *SR 5, Seattle Freeway, E. 145th ST. to E. 200th ST.* (**Exhibit A** attached hereto), to King County, a municipal corporation, subject to a Deed Restriction which states:

It is understood and agreed that the above referenced property is transferred for road purposes and that all revenue resulting from any vacation, sale or rental of such road shall be placed in the county road fund and used exclusively for road purposes.

**Whereas**, said land was conveyed to the City of Shoreline, a municipal corporation, by operation of law in/about 1995 when the City incorporated and has been used by the City for road purposes since that time; and

Whereas, the Central Puget Sound Regional Transit Authority (Sound Transit) sought vacation of certain portions of said land as described on **Exhibit B-1** hereto and depicted on **Exhibit B-2** hereto (Property) for non-road purposes, namely for the constructing, operating, and maintaining a light rail station, guideway, and related features for its Lynnwood Link Extension project; and

**Whereas**, to permit Sound Transit to utilize said Property for non-road purposes, WSDOT must release the Deed Restriction encumbering said Property but WSDOT is still obligated to retain the Deed Restriction; and

**Now Therefore**, in consideration of the promises and covenants set forth below, WSDOT and the City hereby execute this Release of Deed Restriction as follows:

#### Section 1. Release of Deed Restriction.

A. WSDOT hereby releases the Deed Restriction showing on Page 1 of the Quitclaim Deed dated January 10, 1984, recorded March 11, 1986 under King County Auditor's File No. 8603110515, but only in relationship to the Property.

#### **Section 2.** City of Shoreline Covenants.

In consideration of the release of the Deed Restriction, the City of Shoreline hereby covenants:

- A. The City shall record this Release of Deed Restriction with the King County Recorder's Office.
- B. The City shall obtain from Sound Transit fee title to other real property (Exchange Property) of equivalent fair market value to the Property.
- C. The City shall encumber the fee title to the Exchange Property with the same language as the Deed Restriction.
- D. If the City sells, leases, or vacates the Exchange Property, the revenues resulting therefrom shall be placed in the City's Road Fund and used exclusively for road purposes.

///

Signatures and Notary Certification on following pages

_	-	ransportation and the City of Shoreline execution.	cutes
Dated this day of		, 2020.	
Washington State Dep	artment of Transportation	on	
Hal Wolfe Northwest Region, Real Estate Services Ma	Date	_	
STATE OF WASHING	TON ) ) )		
appeared before me, an stated that he/she was a Northwest Region for the said instrument to be the	d said person acknowledge uthorized to execute the ins ne Washington State Depart	y evidence that <b>Hal Wolfe</b> is the person ged that he/she signed this instrument, on astrument as the Real Estate Services Manartment of Transportation and acknowledged and deed of the Washington State Departmentationed.	oath ager- d the
DATED this	day of, 2020	20.	
(!	signed name of notary)		
N S R	orinted name of notary) Notary Public in and for the tate of Washington Residing at  My appointment expires		

 ${\it City of Shoreline Signature \ and \ Notary \ Certification \ on following \ page.}$ 

Release of Deed Restriction

City of Shoreline:		
D.11: T		
Debbie Tarry City Manager	Date	
STATE OF WASHINGTON	)	
COUNTY OF KING	)	
appeared before me, and said p stated that he/she was authorize	have satisfactory evidence that <b>Debbie Tarry</b> is the person who berson acknowledged that he/she signed this instrument, on oath and to execute the instrument as the City Manager for the City of a said instrument to be the free and voluntary act and deed of the and purposes therein mentioned.	

DATED this \_\_ day of \_\_\_\_\_\_, 2020.

(signed name of notary)

(printed name of notary) Notary Public in and for the

My appointment expires\_\_\_\_\_

State of Washington Residing at\_\_\_\_\_

KING COUNTY REAL PROPERTY DIVISION 500 K.C. ADMINISTRATION CLUG 500 FOURTH AVENUE SEATTLE, WA. 98104

QUITCLAIM DEED

86/03/11 RECD F CASHSL

#0515 #:#:#:#:#: **0**0 55

85-11-126 (2)

IN THE MATTER OF SR 5 Seattle Freeway, E. 145th St. to E. 200th St.

KNOW ALL MEN BY THESE PRESENTS, that the STATE OF WASHINGTON, for and in accordance with that Agreement of the parties entitled GM 1202, dated the 23 day of April, 1984 hereby conveys and quitclaims unto KING COUNTY, a political subdivision of the State of Washington, all its right, title and interest, in and to the following described real property situated in King County, State of Washington:

All those parts of Section 17, 8, 5, Township 26N, Range 4E, W.M., shown hachured on Exhibit "A" attached hereto and made a part hereof.

The specific details concerning all of which may be found on Sheets 2, 3, 4, 7, 9, and 10 of that certain plan, entitled SR 5 Seattle Freeway, E. 145th St. to E. 200th St., now of record and on file in the office of the Secretary of Transportation at Olympia, Washington bearing date of approval May 31, 1961.

It is understood and agreed that the above referenced property is transferred for road purposes and that all revenue resulting from any vacation, sale or rental of such road shall be placed in the county road fund and used exclusively for road purposes.

The Grantee herein, its successors or assigns, shall have no right of ingress and egress to, from and between said SR 5 and the lands herein conveyed and will maintain the control of ingress and egress to, from and between the lands herein conveyed and the lands adjacent thereto, as indicated by the prohibition of access symbol appearing on said Exhibit "A"; nor shall the Grantee herein, its successors or assigns, be entitled to compensation for any loss of light, view and air occasioned by the location, construction, maintenance or operation of said Highway; EXCEPT that said Grantee, its successors or assigns, shall have reasonable ingress and egress to, from and between the lands herein conveyed and said Highway by means of the off and on ramps thereto shown on said Exhibit "A".

The grantee as part consideration herein does hereby agree to comply with all civil rights and anti-discrimination requirements of RCW Chapter 49.60, as to the lands herein described.

The lands herein described are not required for State highway purposes and are conveyed pursuant to the provisions of RCW Chapter 47.12.080.

Dated at Olympia, Washington, this 10th day of JANHA

STATE OF WASHINGTON

KING COUNTY NO EXCISE TAX MAR 1 1 1986 <u> E0866873</u>

Filed For Record At The Request Of

County Real Property Division

DUANE BERENTSON Secretary of Transportation

07 =

Page 1 of 2

I.C. # 1-17-04488

RECEIVED THIS DAY

APPROVED AS TO FORM:

REVIEWED AS TO FORM:

W

8603110515

Ву: <u>...</u>

King County

APPROVED AS TO FURM

THE MEDICAL STATES

ALL THE STATES

ALL T

STATE OF WASHINGTON )

): ss

County of Thurston

On this day of Transportation, washington State Department of Transportation, and executed the foregoing instrument, acknowledging said instrument to be the free and voluntary act and deed of the State of Washington, for the uses and purposes therein mentioned, and on oath stated that he is authorized to execute said instrument.

Given under my hand and official seal the day and year last above written.

STEPHEN D. BATES
NOTARY PUBLIC

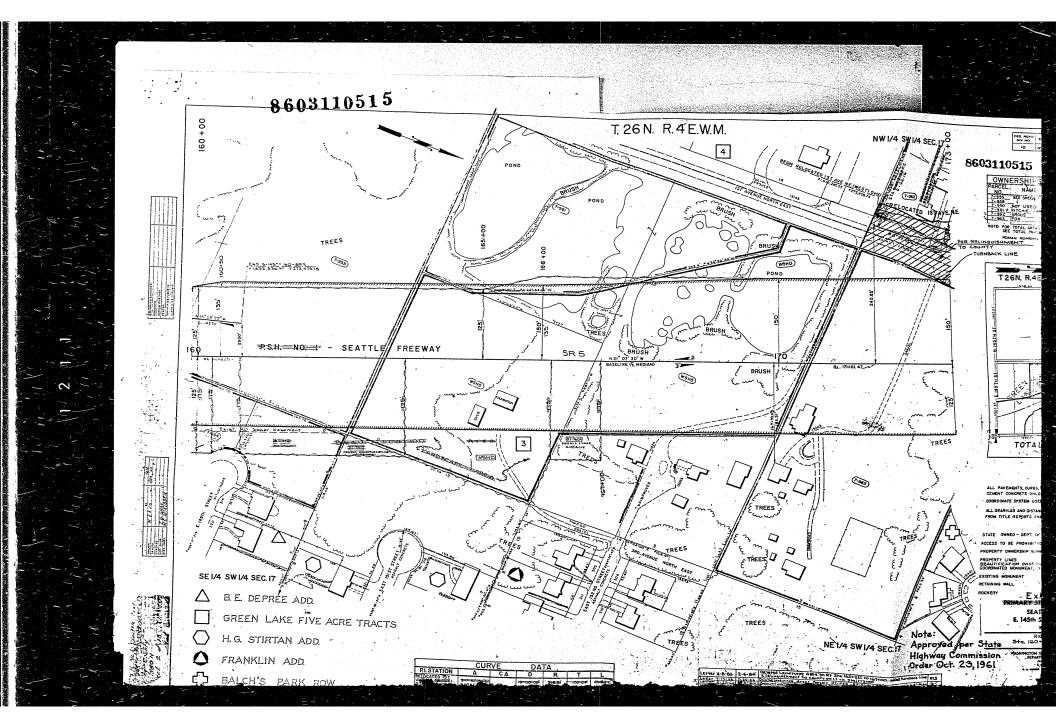
STATE OF WASHINGTON

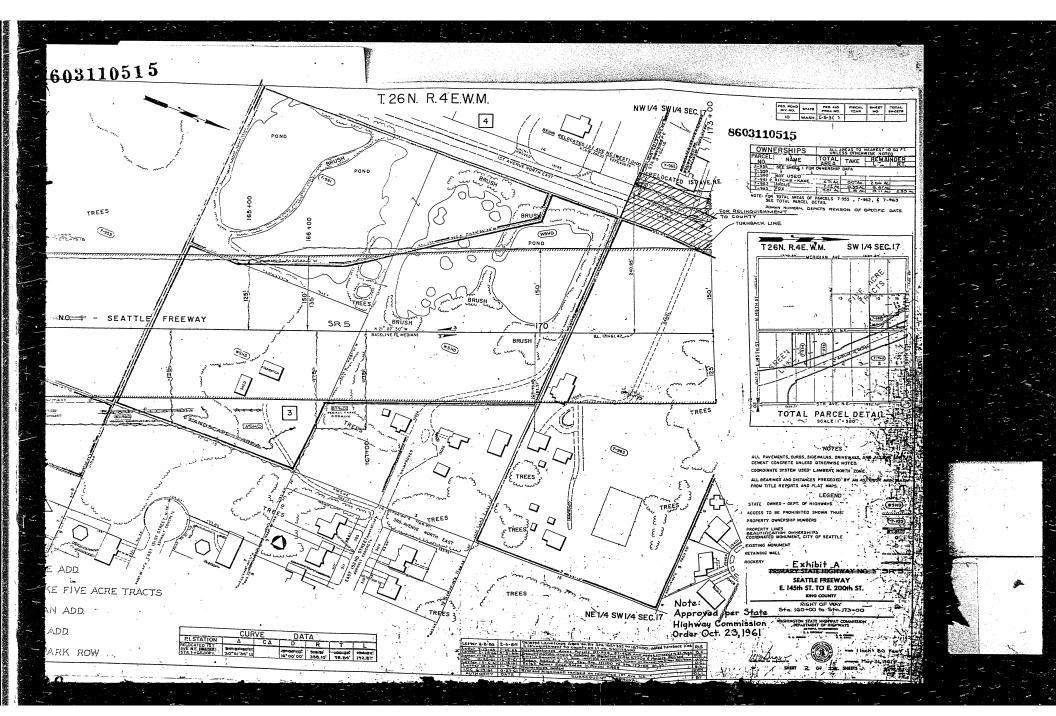
Commission expires SEPT. 9 1989

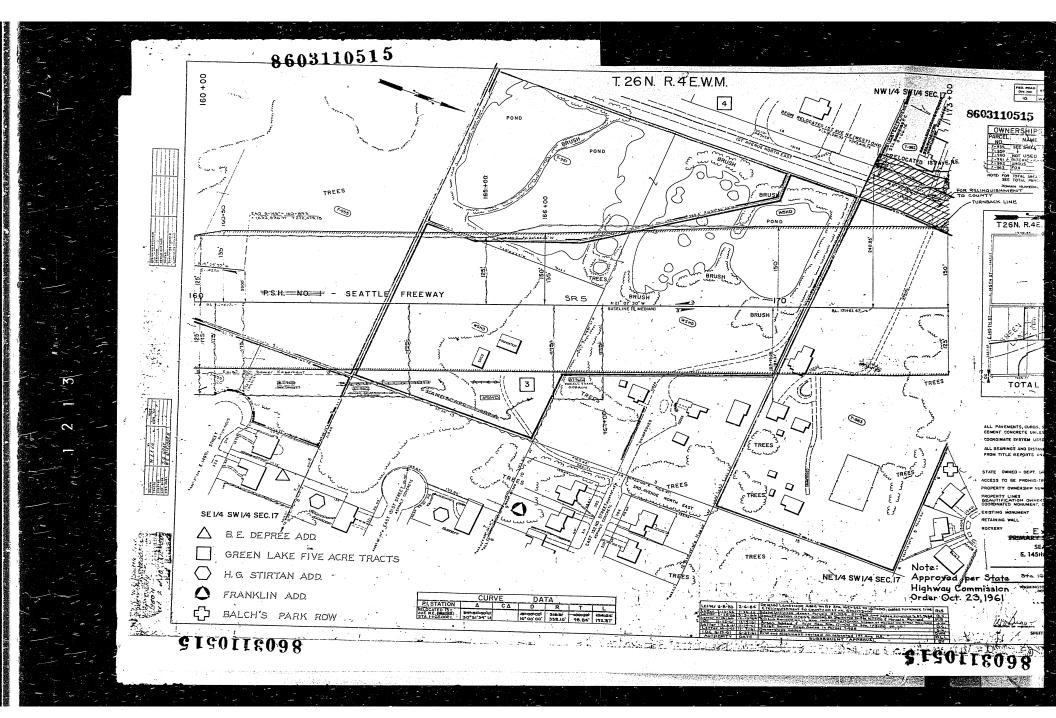
Notary Public in and for the State of Washington, residing at Olympia.

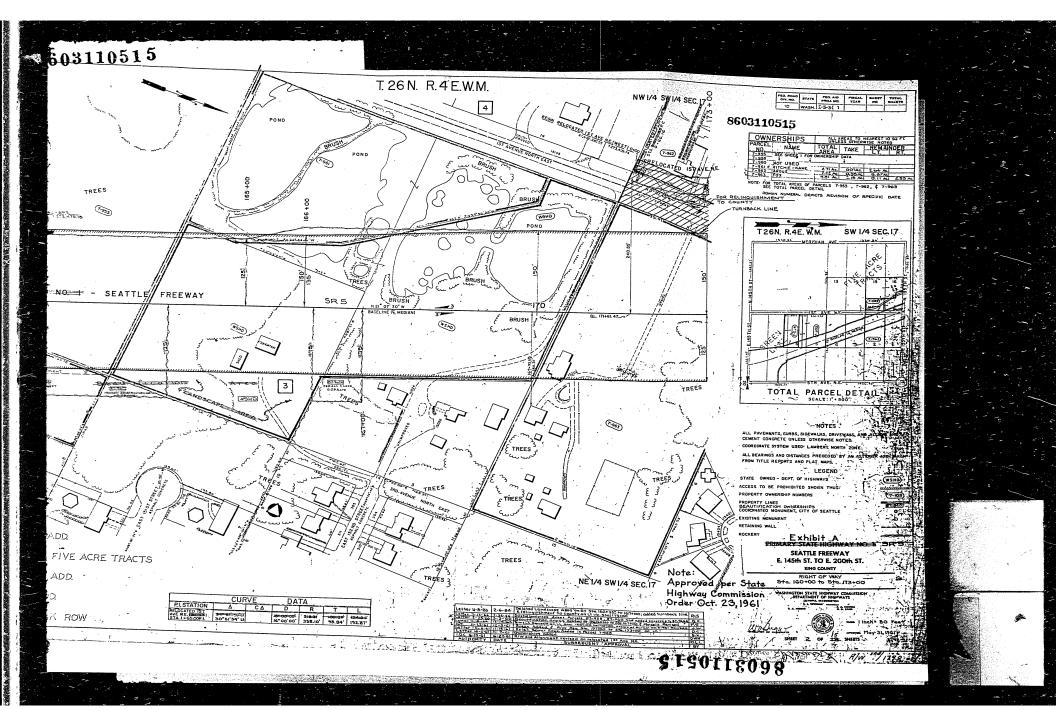
Page 2 of 2

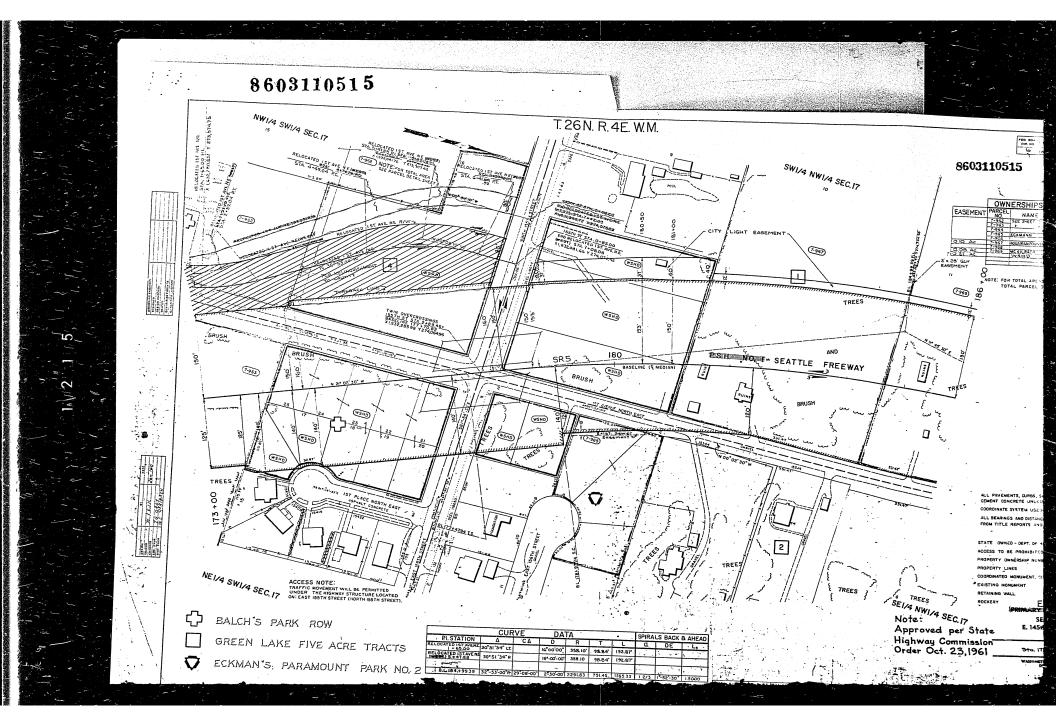
I.C. # 1-17-04488

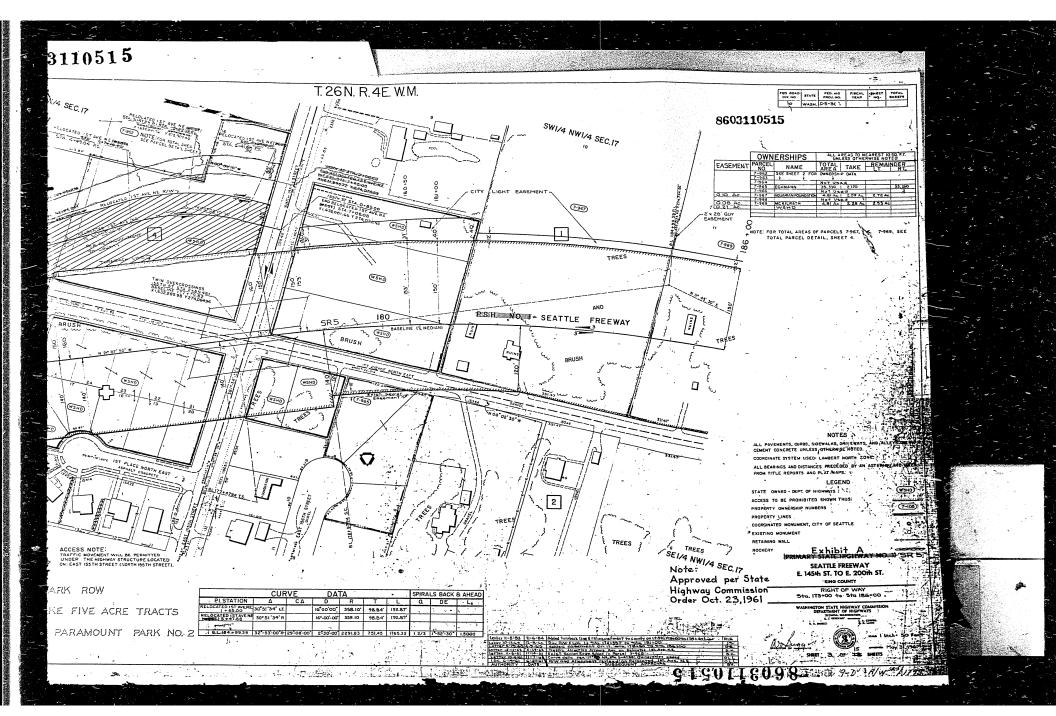


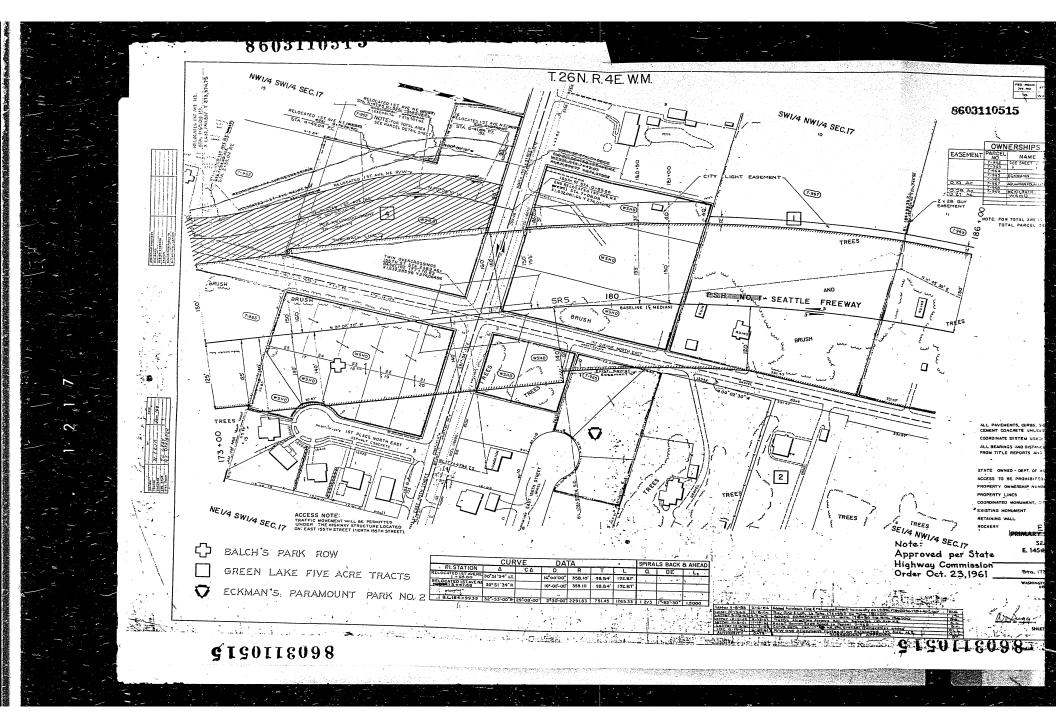


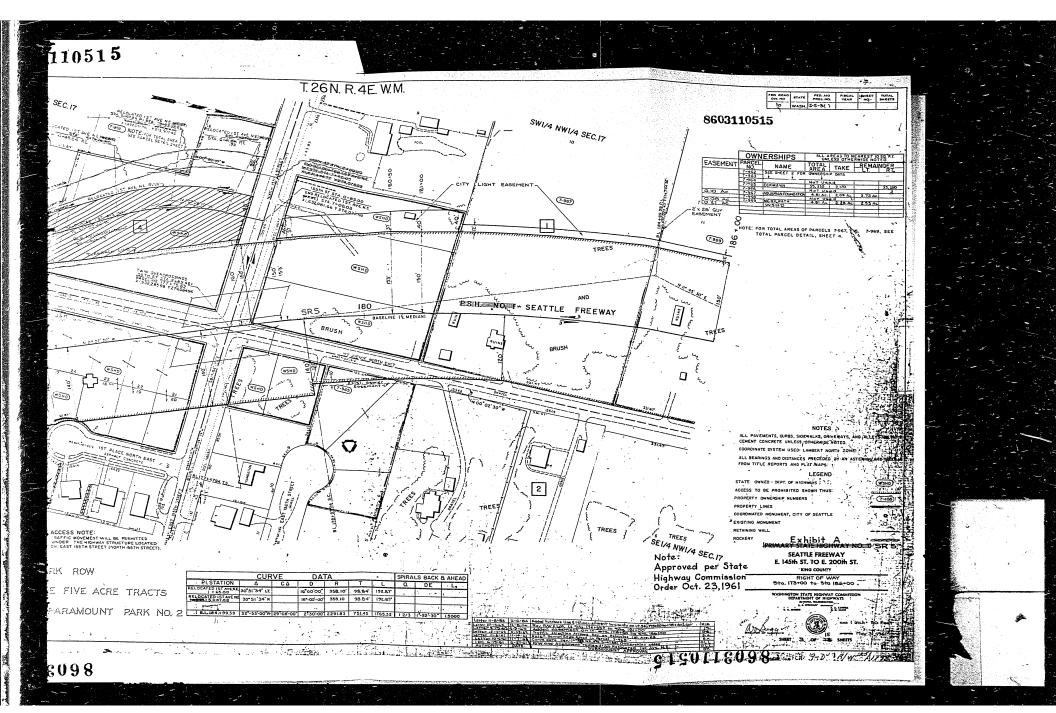


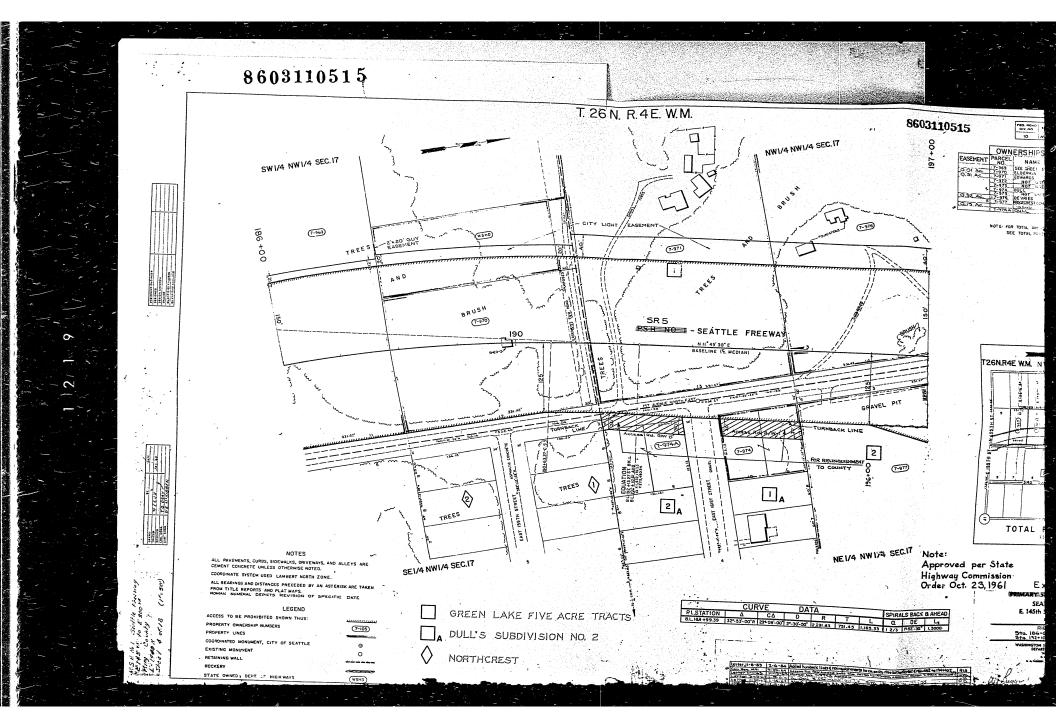


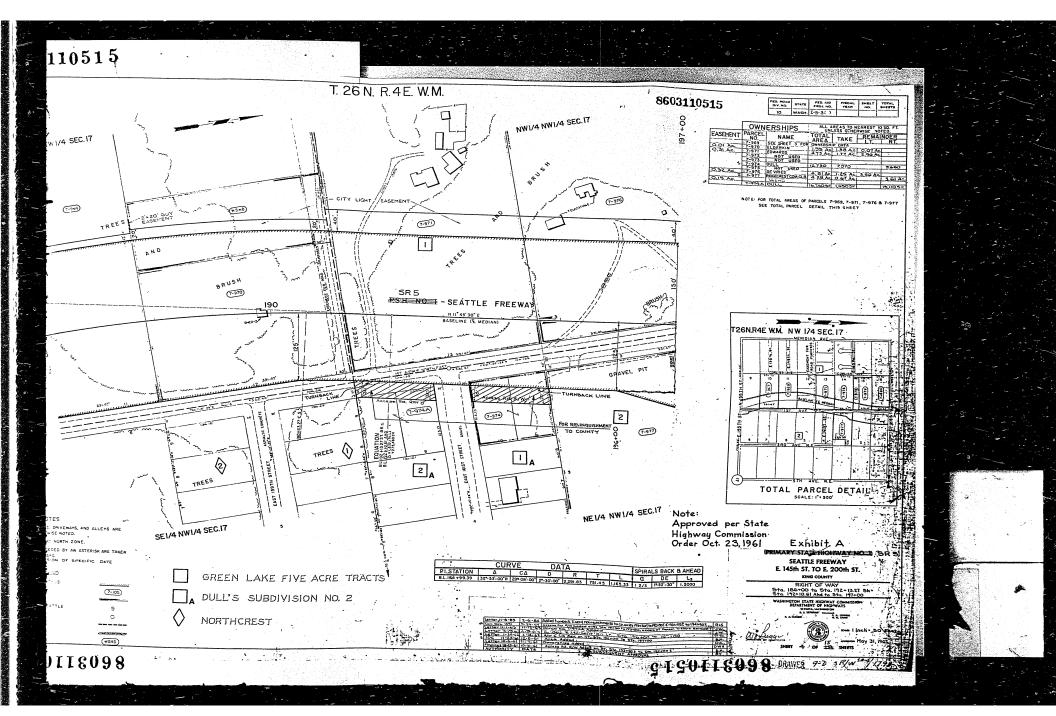


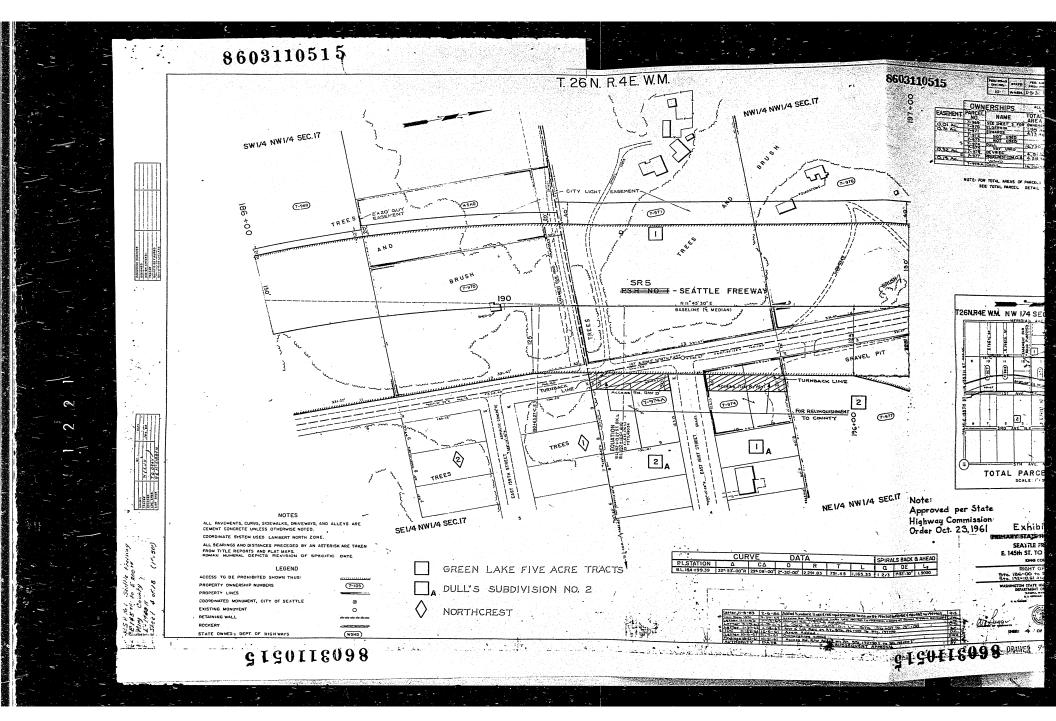


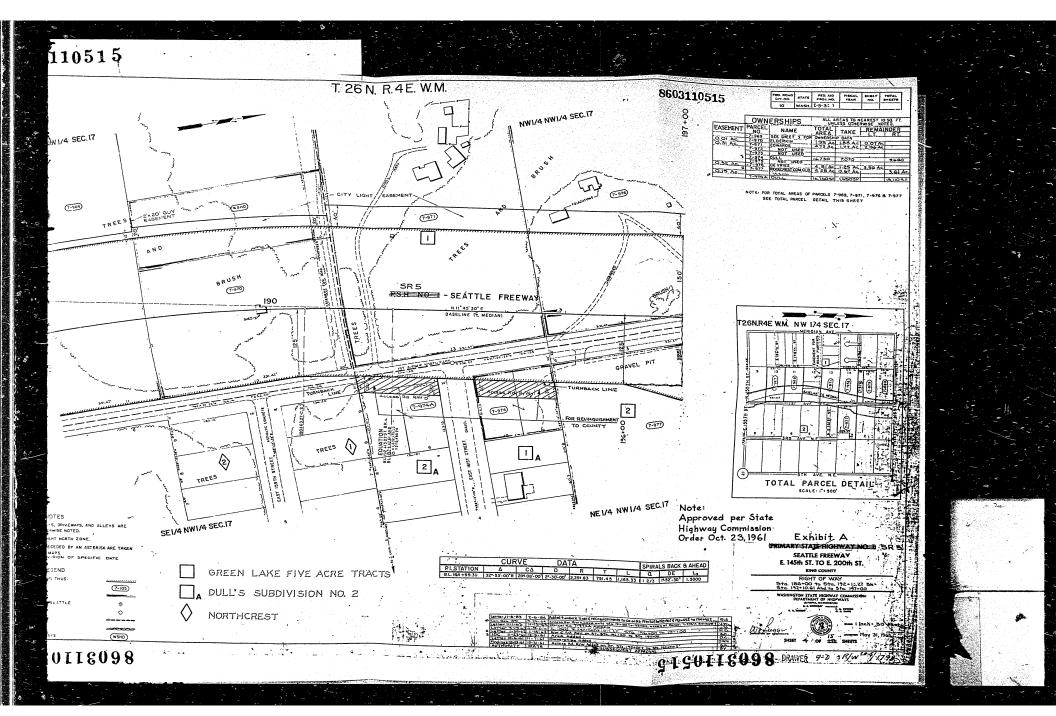


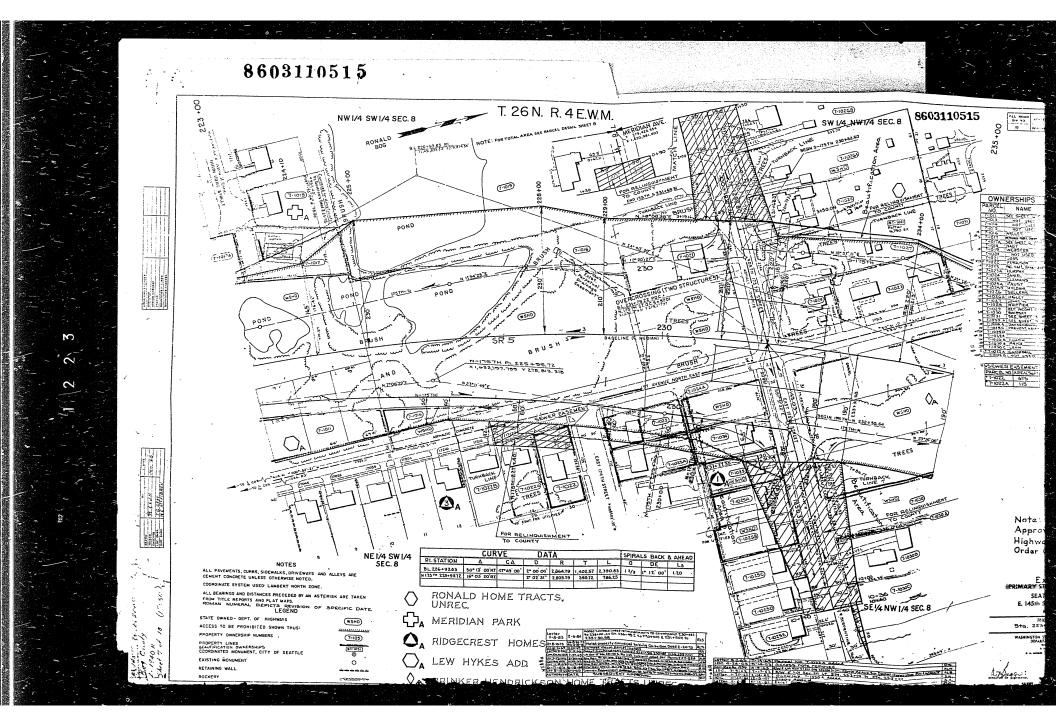


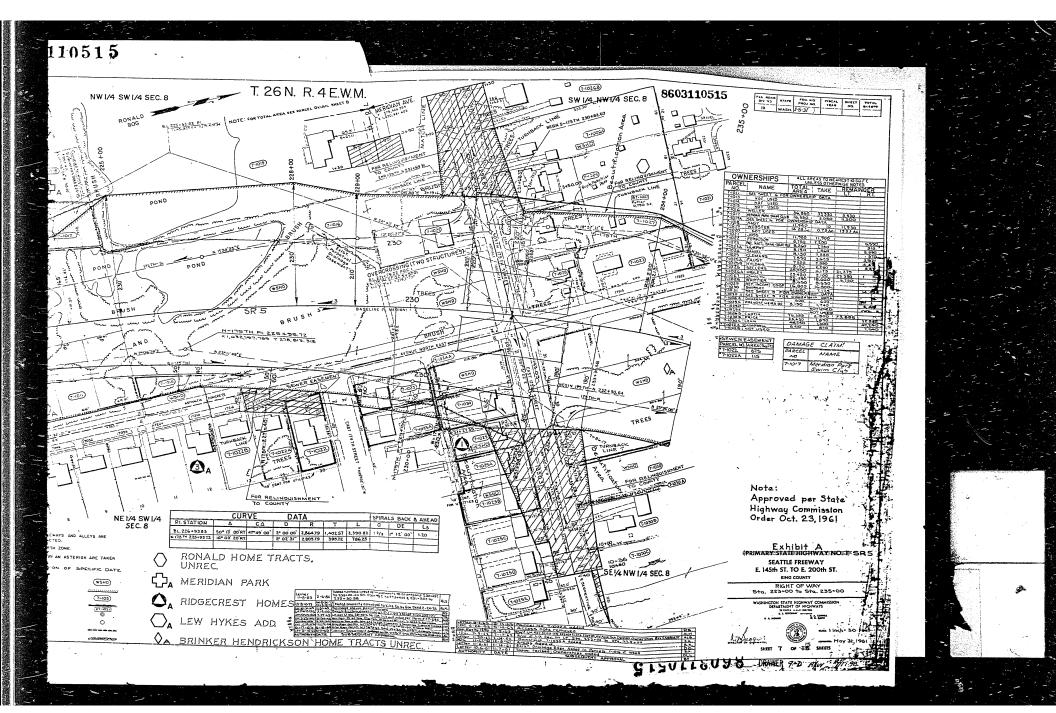


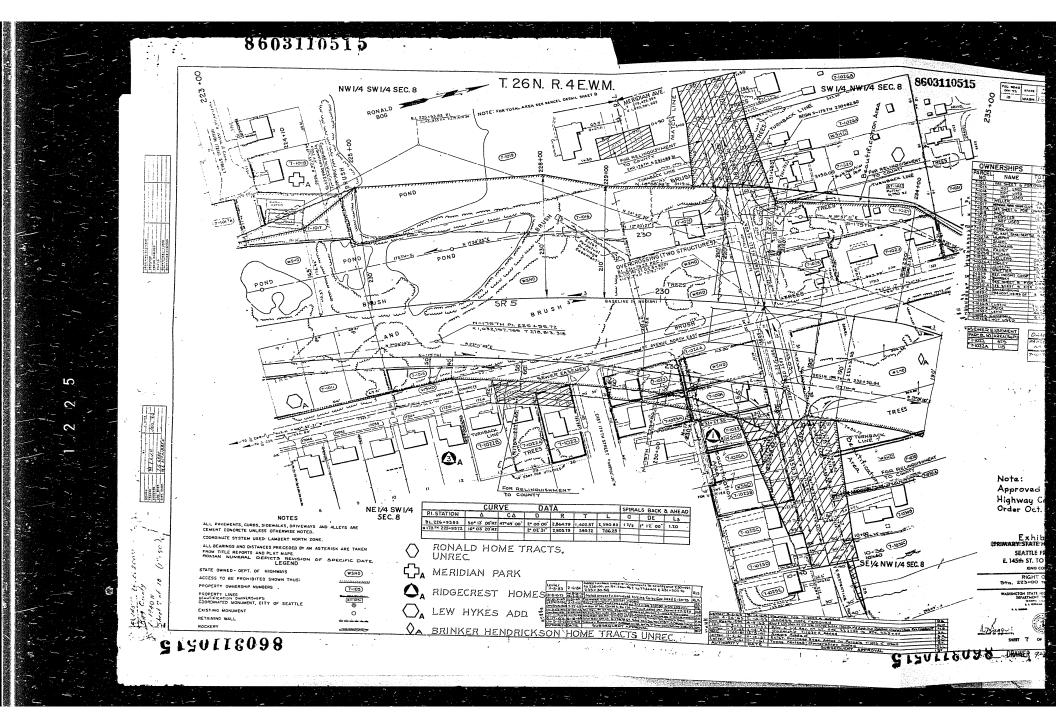


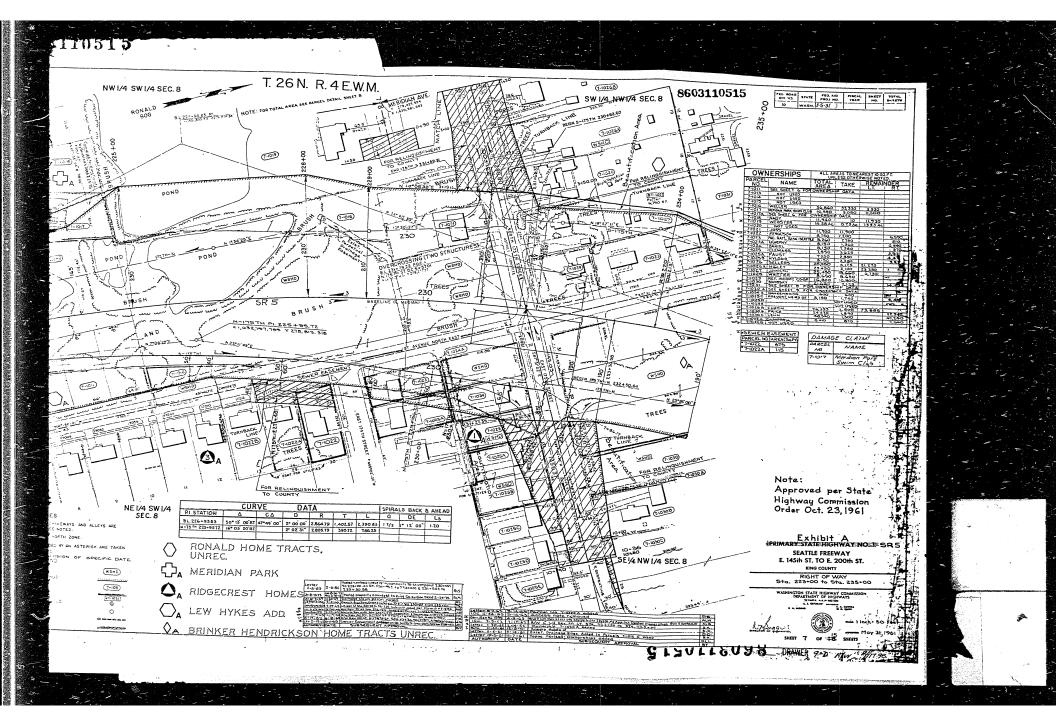


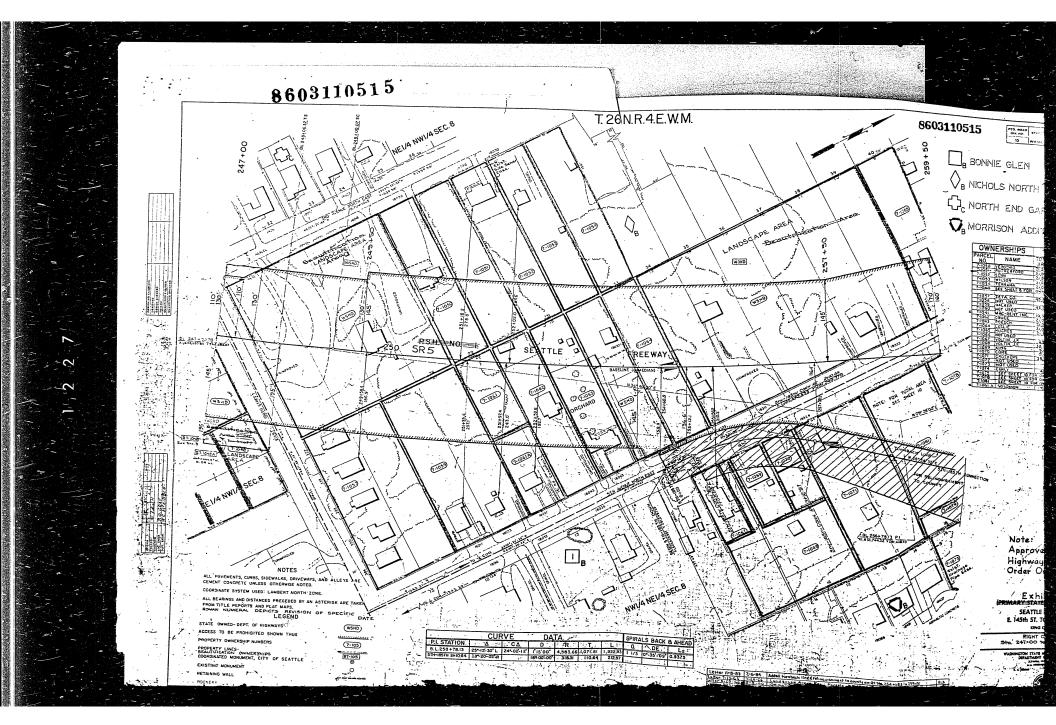


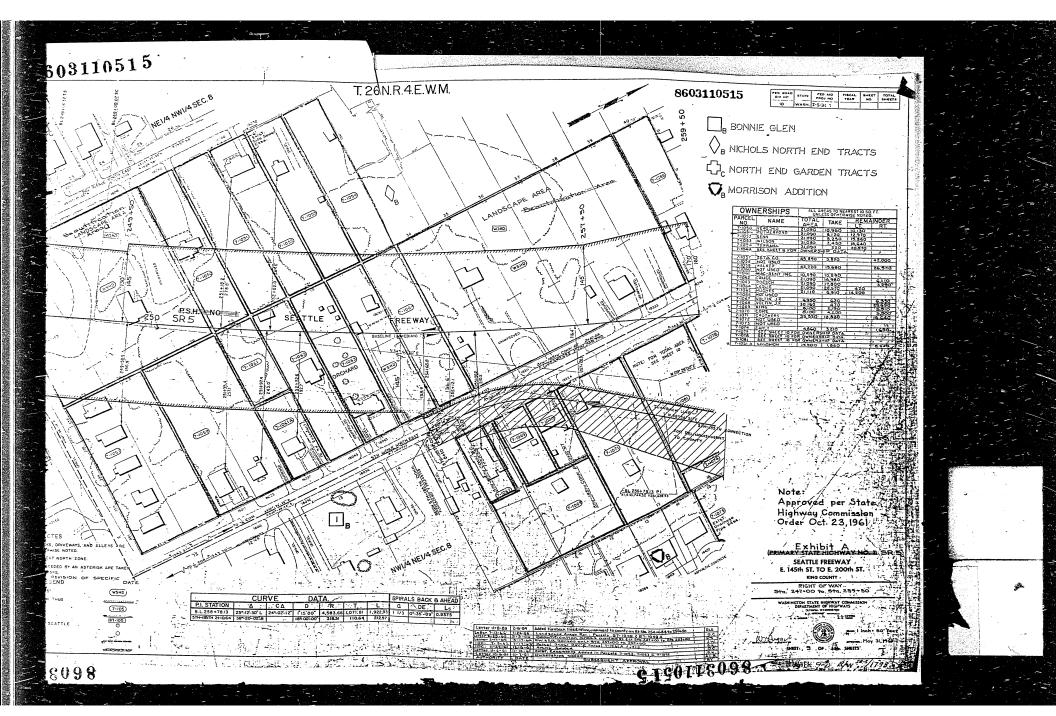


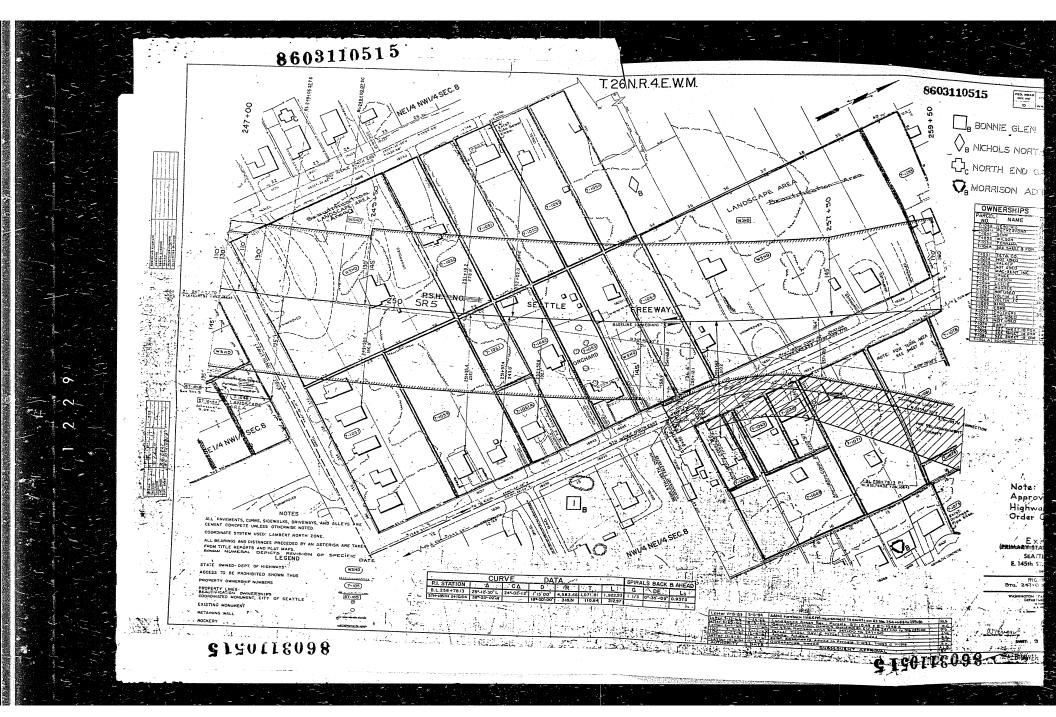


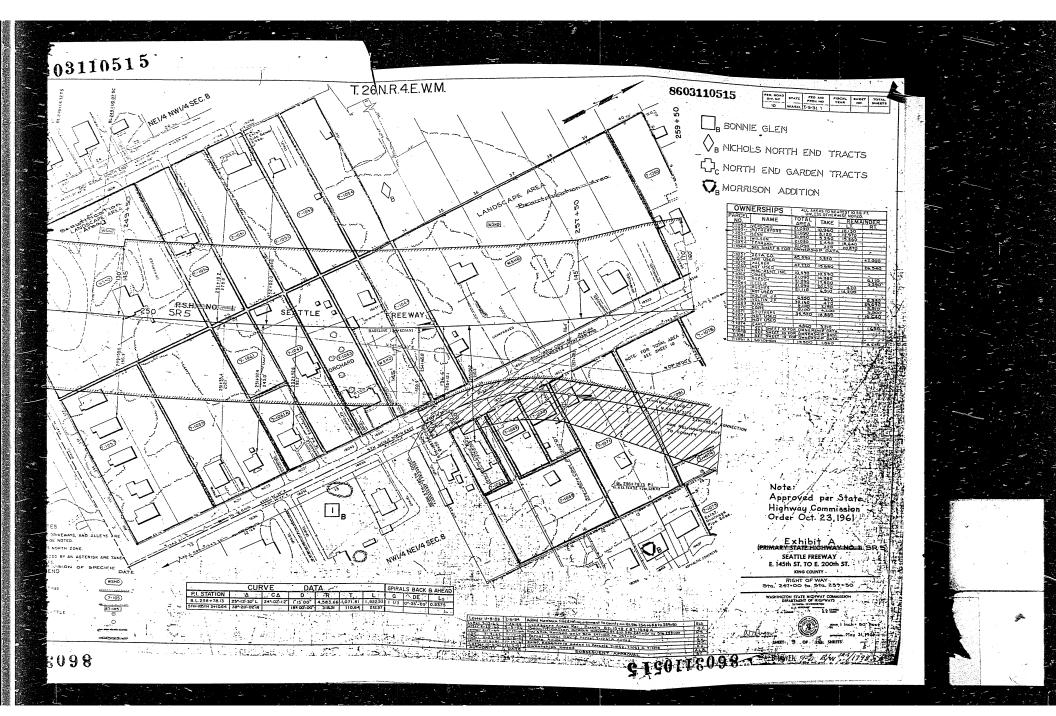


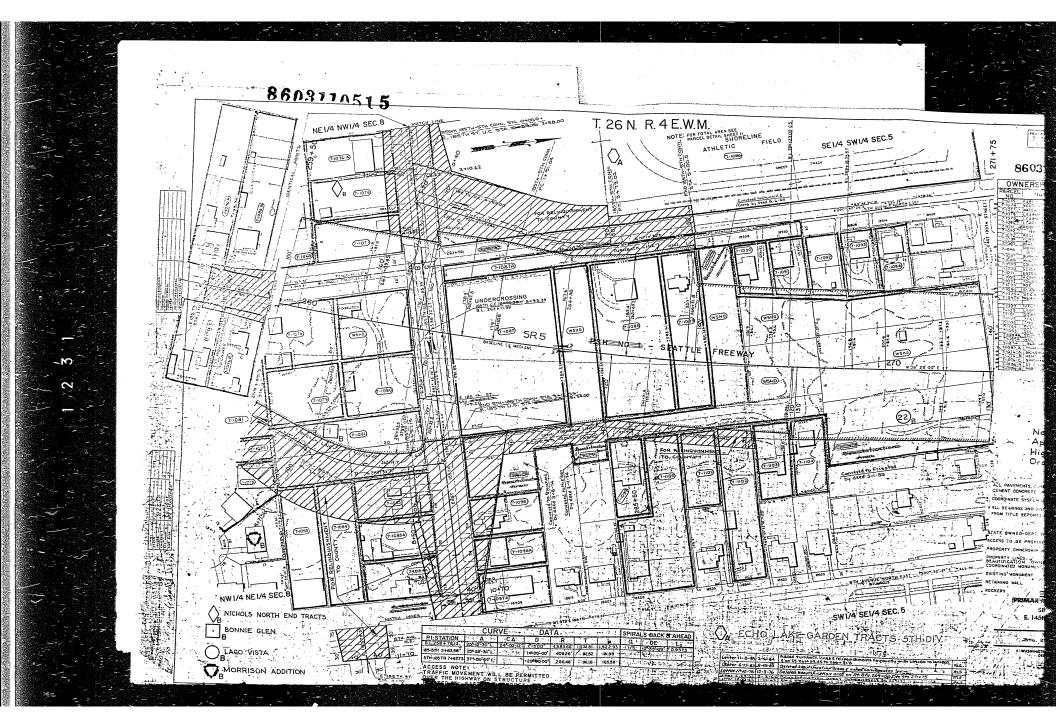


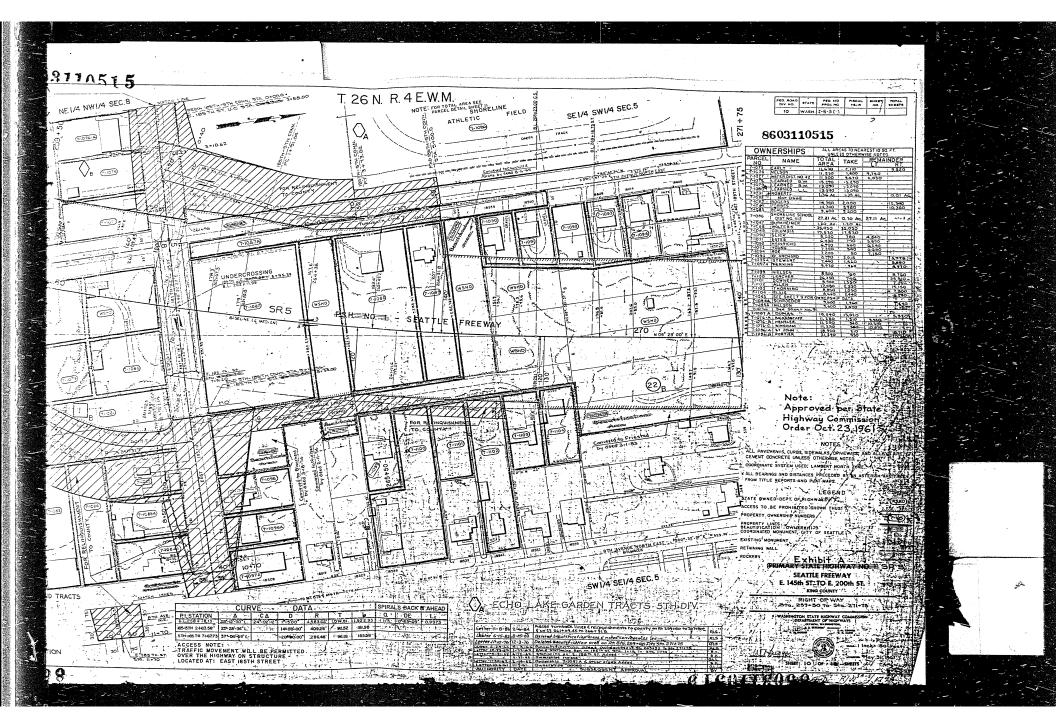


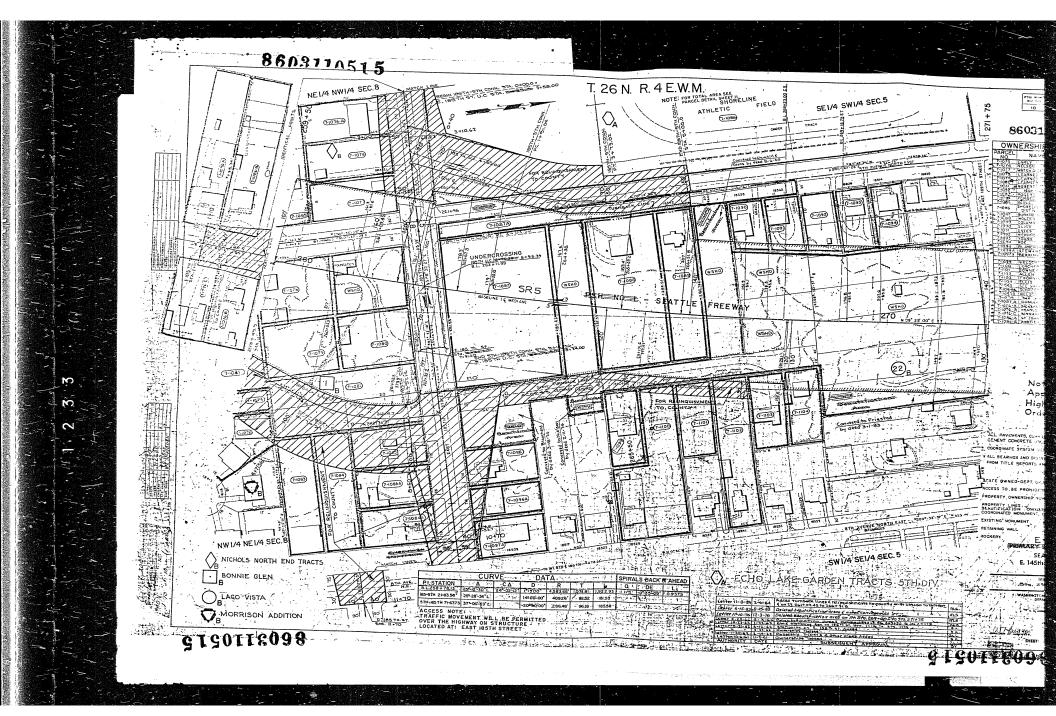


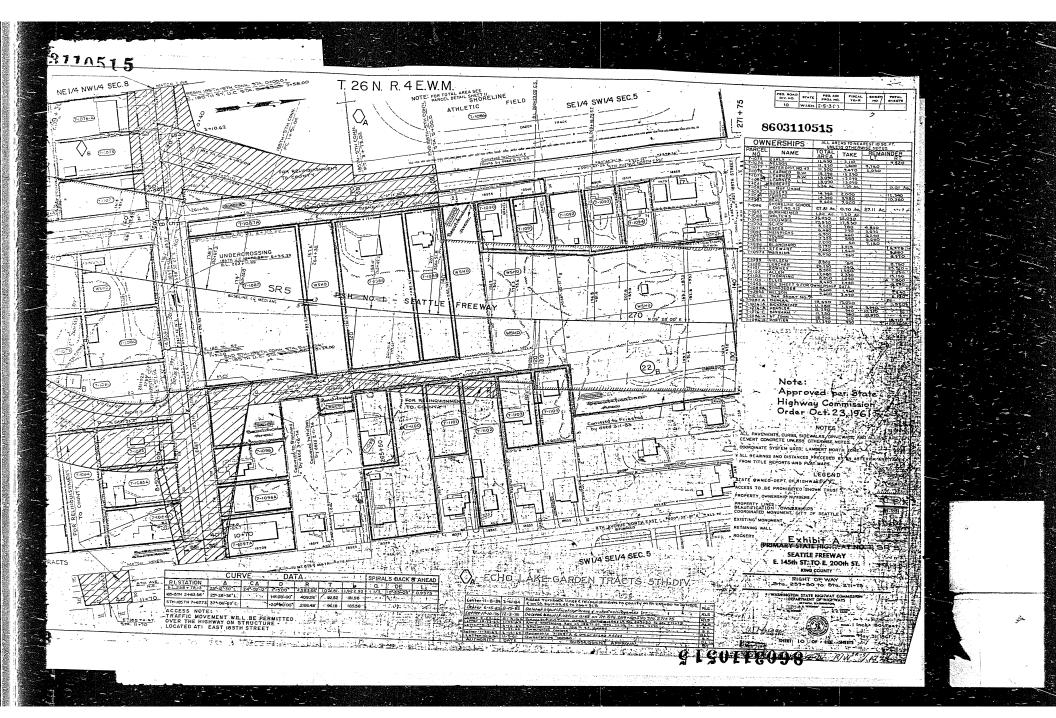












# Exhibit B-1

#### **EXHIBIT "B"**

R/W No. LL-509.1 7<sup>TH</sup> AVE NE CITY OF SHORELINE

#### INTERGOVERNMENTAL TRANSFER AREA:

ALL OF 7TH AVE NE AND PORTION OF NE 185TH STREET IN THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 5, TOWNSHIP 26 NORTH, RANGE 4 EAST, LYING **NORTHERLY** OF THE FOLLOWING DESCRIBED **LINE**:

COMMENCING AT THE SOUTH QUARTER CORNER OF SECTION 5, TOWNSHIP 26 NORTH, RANGE 4 EAST;

THENCE S87°58'49"E ALONG THE SOUTH LINE OF SAID SECTION, BEING THE CENTERLINE OF NE  $185^{TH}$  STREET, A DISTANCE OF 595.59 FEET;

THENCE AT RIGHT ANGLES N02°01'11"E A DISTANCE OF 40 FEET TO A POINT ON THE EXISTING NORTH MARGIN OF SAID STREET, BEING THE **POINT OF BEGINNING** OF THE HEREIN DESCRIBED **LINE**, BEING THE BEGINNING OF A NON-TANGET CURVE HAVING A RADIUS OF 34.00 FEET, TO WHICH POINT A RADIAL LINE BEARS S02°26'05"E; THENCE LEAVING SAID MARGIN, WESTERLY, TO THE RIGHT ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 04°56'58" AN ARC DISTANCE OF 2.94 FEET; THENCE N87°29'06"W A DISTANCE OF 282.01 FEET TO THE EAST MARGIN OF SR 5, BEING THE END OF THE HEREIN DESCRIBED **LINE**;

EXCEPT THE EAST 10 FEET OF THE WEST 30 FEET OF THE NORTH 62 FEET OF THE SOUTH 216 FEET OF THE EAST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 5, TOWNSHIP 26 NORTH, RANGE 4 EAST, W.M., IN KING COUNTY, WASHINGTON, AS DEDICATED TO KING COUNTY UPON RECORDING OF SHORT PLAT NUMBER 578077, RECORDED UNDER RECORDING NUMBER 7901170721, IN KING COUNTY, WASHINGTON;

CONTAINING 24,068 SQUARE FEET.

Earl J. Bone 2/21/20

Earl J. Bone P.L.S.

2/21/2020

