

**CITY COUNCIL AGENDA ITEM**  
CITY OF SHORELINE, WASHINGTON

<b>AGENDA TITLE:</b>	Action on the Proposed Purchase of Real Property Located at N 192 <sup>nd</sup> Street, Identified as King County Tax Parcel No. 728390-0532, and Authorizing the City Manager to Take the Necessary Steps to Complete the Property Purchase		
<b>DEPARTMENT:</b>	City Manager's Office		
<b>PRESENTED BY:</b>	Nathan Daum, Economic Development Program Manager		
<b>ACTION:</b>	<input type="checkbox"/> Ordinance	<input type="checkbox"/> Resolution	<input checked="" type="checkbox"/> Motion
	<input type="checkbox"/> Discussion	<input type="checkbox"/> Public Hearing	

**PROBLEM/ISSUE STATEMENT:**

On July 31, 2017, the City Council approved the update to the Parks, Recreation, and Open Space (PROS) Plan. The Plan identified parkland needs of 95 acres citywide to maintain a level of service of 7.38 acres per 1,000 population.

The City has the opportunity to acquire a half-acre parcel so as to expand the area of City public parks in an area of increasing density. This parcel, which is adjacent to the King County Metro Park & Ride on N 192<sup>nd</sup> Street and is identified as King County Tax Parcel No. 728390-0532, was identified by nearby community residents as an opportunity to preserve mature tree canopy and wildlife habitat and supported by low-income housing and supportive service providers planning or operating multifamily buildings nearby. The City Manager has entered into a fully-executed Purchase and Sale Agreement with the property owner at \$2,000,000, subject to City Council approval. Tonight, the City Council is scheduled to take action to approve or deny the proposed acquisition.

As per Council Rules of Procedure 6.1.B, which states that for an Action Item that is before the City Council for the first time and is not part of the consent agenda, public comment for that item will follow the staff report but precede Council review. Council should therefore allow for Public Comment following the staff report, and the same rules for Public Comment provided as part of the Council's Regular Meeting Agenda shall apply.

**RESOURCE/FINANCIAL IMPACT:**

The City applied to the King County Conservation Futures Tax (CFT) grant program for a 100% funding award and as such would require no matching funds from the City. Until such time that the CFT grant award dollars are transmitted to the City, the City's General Capital Fund has sufficient funds for the estimated \$2,020,000 in just compensation, appraisal, and other associated costs related to the acquisition and does not negatively impact other parkland property acquisitions anticipated by the City.

The Council was informed prior to the transmittal of \$100,000 in earnest money to the seller that these funds would become non-refundable after July 31, 2022 and, thus, should Council choose to reject the proposed acquisition, these dollars as well as the additional appraisal, title, and agent's fees would not be recovered by the City through the CFT grant program.

Additional costs following the closing of the purchase would potentially include minimal maintenance to control vegetation growth. Design has not been completed for the eventual use of the site and so construction costs are not known at this time. Design of the park is planned to occur in 2024 with other recently acquired park properties. Prioritization and timing of development will be considered in the development of the 2024 update to the PROS Plan. Funding for development has not been identified.

Given the location in a rapidly growing neighborhood and the interest of surrounding neighbors, staff will arrange for periodic maintenance to minimize infestation of invasive species and keep the existing informal trails available for public use pending development. Funding will be requested as a one-time maintenance budget in the 2023-2024 budget.

### **RECOMMENDATION**

Staff recommends that the City Council approve the proposed purchase of real property located at N 192<sup>nd</sup> Street, identified as King County Tax Parcel No. 728390-0532, and authorize the City Manager to take the necessary steps to complete the property purchase.

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

## **BACKGROUND**

### **N 192<sup>nd</sup> Street, “Hemlock” Parcel - Tax Parcel No. 728390-0532**

The subject property is a vacant parcel that is 23,662 square feet (0.54 acres) in size located in the Hillwood neighborhood directly west of the King County Metro 192<sup>nd</sup> Street Park & Ride. The property is zoned R-18 (Multifamily Residential, 18 units per acre) and is adjacent to single-family zoning. It is envisioned as a natural area to preserve tree canopy and mature-vegetation habitat, provide trails and limited recreation facilities that would fit within the 15% maximum developed area allowed under CFT rules. Nearby residents have urged the City to secure the parcel to preserve the green space for its canopy, habitat, and other environmental benefits. It has been discussed as a potential future park or open space acquisition several times in the past. Community members have expressed to the City the value of the location as green space and secured a letter of support from King County Councilmember Dembowski who recommended the City pursue County funding.

### **County Support/CFT Process Overview**

In January 2022, staff received a call from CFT staff encouraging the City to submit proposals for 2023 funding. The City included the parcel in its application along with parcels at Rotary Park and Twin Ponds Park. Included in the City's application materials were letters of support for the acquisition of the N 192<sup>nd</sup> Street “Hemlock” Parcel from low-income housing and supportive services providers planning or operating multifamily buildings nearby (Attachment B). The City's application was selected for review by the CFT committee and staff made two presentations on the proposed acquisitions on April 2 and April 21, 2022.

In July, the CFT committee formally recommended the full award requested by the City for this property through its Match Waiver program which requires no matching funds from applicant cities. This recommendation was included in the King County Executive's transmittal to King County Council, which is set to formally approve awards in November after which funds will be disbursed in early 2023. The King County Council has not made award decisions in the past that conflicted with the recommendation of the committee as transmitted by the Executive. For this reason, staff is confident that the County Council will formally approve the award and recommends moving forward with the purchase of the property using available general capital fund balance until the grant award dollars are made available to the City.

### **Property Ownership Interests**

The N 192<sup>nd</sup> Street “Hemlock” Parcel was sold to a private party by the Washington State Department of Transportation at the time that the Metro Park & Ride property transitioned into ownership of King County from the State. Most recently, a statutory warranty deed was recorded on December 22, 2021, indicating the property was sold for \$999,500. The buyer, John Goodman of Goodman Real Estate, is an active developer of multifamily housing.

The subject property was then subsequently listed for a brief period of time at \$1,750,000. The listing stated feasibility was completed for 10 townhomes (Attachment C) and staff participated in a preapplication meeting with project representatives. Mr. Goodman indicated to the City's agent that it was done for exploratory purposes only

and that although he received two full-price offers, he was continuing to pursue redevelopment. While his preference was to move forward with the development process, he indicated a willingness to sell at \$2,000,000.

### **DISCUSSION**

The City obtained a third-party appraisal by an independent, licensed appraiser which concluded the market value of the property as \$1,550,000. In anticipation of an appraisal value lower than the price agreed to in voluntary negotiations, City staff confirmed with CFT staff that while appraisals are required for all grant awardees' projects, the program recognizes there are other market pressures involved in the negotiation of a purchase price. In this case, the property-owner's experience in building market-rate housing and expectation of much greater returns through redevelopment, were taken into account. Additionally, under the terms of CFT, properties obtained under eminent domain or threat of condemnation are not eligible for CFT grant funding; only voluntary negotiated purchase and sale agreements with willing sellers are eligible.

On April 21, 2022, the City Manager made an offer of \$2,000,000 to the property owner, subject to Council approval. The offer further stated the City's intention to purchase the property using CFT grant funding and included a provision such that, should the City's grant application be denied, the City was under no obligation to move forward. Subsequently, the City Manager agreed to the seller's proposed earnest money provision and entered into a fully-executed Purchase and Sale Agreement with the property owner, subject to Council approval. The seller agreed to a lengthened closing with the date set for July 31, 2022 to allow for the City to receive information about the CFT committee's decision in July as well as an optional extension. Upon receipt of the CFT committee's report, the City and seller amended the Purchase and Sale to extend closing to September 30, 2022.

### **Tonight's Council Action**

Tonight, the City Council is scheduled to take action to approve or deny the proposed acquisition of the N 192<sup>nd</sup> Street "Hemlock" Parcel (Tax Parcel No. 728390-0532). As per Council Rules of Procedure 6.1.B, which states that for an Action Item that is before the City Council for the first time and is not part of the consent agenda, public comment for that item will follow the staff report but precede Council review. Council should therefore allow for Public Comment following the staff report, and the same rules for Public Comment provided as part of the Council's Regular Meeting Agenda shall apply.

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### **ATTACHMENTS**

Attachment A: Tax Parcel No. 728390-0532 Acquisition Map  
Attachment B: Letters of Support  
Attachment C: 192<sup>nd</sup> "Hemlock" Proposed Townhomes



Attachment A: Tax Parcel No. 728390-0532 ("Hemlock Property") Acquisition Map







*Board of Commissioners*  
Doug Barnes, *Chair*  
Susan Palmer, *Vice-Chair*  
Regina Elmi  
TerryLynn Stewart  
John Welch

*Interim Executive Director*  
Dan Watson

**April 13, 2022**

Conservation Futures Citizens Oversight Committee  
201 S. Jackson St., Suite 600  
Seattle, WA 98104

**RE: City of Shoreline Application for North 192nd “Hemlock Parcel” Open Space Acquisition (Parcel no. 7283900532)**

Dear Members of the Conservation Futures Tax Oversight Committee:


The King County Housing Authority (KCHA) provides affordable housing and rental assistance to more than 55,000 people every night. Ensuring that our housing is connected to transit, good schools, services, and adequate green space is a top priority for the agency. Our community centers and educational programs promote strong educational outcomes for children and our investments in smart, sustainable growth support strong and vibrant communities. We wish to express our support for the City of Shoreline’s proposed acquisition of the North 192nd “Hemlock Parcel” open space to ensure adequate natural green space is retained in an area of rapid growth and transformation.

KCHA is one of the largest landowners in the City of Shoreline with more than 1,200 affordable homes, including housing for seniors near the North 192nd “Hemlock Parcel.” The development of new multifamily units along the Aurora Corridor in Shoreline will bring thousands of new residents to the area and represent smart growth principles in action. This type of housing investment will add much needed housing close to small businesses, services, and transit.

Yet, while the center of Shoreline experiences robust growth, the majority of the City’s parkland is located within its outlying neighborhoods, making acquisitions of parkland like this, adjacent to the high-density mixed-business zoning all the more critical to the health and wellbeing of the greater community. Simply put, a park at this location, so close to existing and future affordable housing, would benefit the residents of those communities immeasurably. As a partner in efforts to increase the availability of affordable housing and supportive services in the region, we are pleased to see the significant increase in affordable and market-rate multifamily housing coming to Shoreline’s Aurora Corridor.

We hope you will support the City of Shoreline's vision of increased public open space to promote the health of its residents and the environment as the community grows.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Watson". The signature is stylized with a large "D" and a long horizontal stroke at the end.

Dan Watson  
Interim Executive Director





Attachment B  
Compass at RONALD COMMONS

17920 Linden Ave N, Shoreline, WA 98133

April 15, 2022

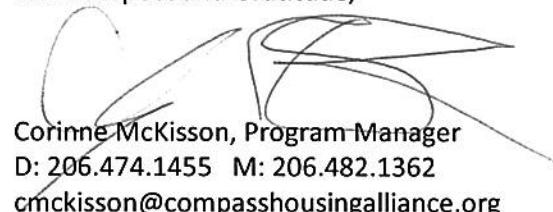
RE: King County Parcel 7283900532 at N. 192<sup>nd</sup> Street, Shoreline, WA

I would like to lend my support to any effort to retain the beautiful tree-filled space above the current Metro Park and Ride. It is an oasis right on the edge of a busy highway with many new housing developments sprouting up around it. At least one of those, right on the corner of 192<sup>nd</sup>, is slated to be low-income housing.

As a manager of a low-income permanent supportive housing program nearby, I can easily see the significance of protecting a natural space that is accessible for those in our community who have the fewest resources allowing them to reach destination parks further away. Transitioning this beautiful space into a park with walking path, seating at vista viewing points, birds and other small animals that rely on this sort of habitat are all joys that would immensely improve the daily lives of folks who live nearby or who depend on public transportation which would still be adjacent.

As our community responds to infinite growth and the resulting increased housing density, the protection of every existing tree and natural space possible is as much a moral obligation as it is smart city planning. Living amongst or in proximity to trees and the wildlife that come with them improves our emotional and physical health. Low-income communities are frequently represented at a much higher rate by persons with disabilities, chronic medical conditions, recent immigrant families, families who are survivors of trauma, veterans, and seniors. I see the potential of this area being preserved for the community as an intentional act of empathy and integrity. A reflection of our stated value for diversity and equity. The trees and the animals will remember, and so will we.

With Respect and Gratitude,



Corinne McKisson, Program Manager  
D: 206.474.1455 M: 206.482.1362  
cmckisson@compasshousingalliance.org

**RE: King County Parcel 7283900532 at N. 192<sup>nd</sup> Street, Shoreline WA**

To whom it may concern,

This letter is in support of the effort to retain the natural green space above the current Metro Park and Ride at N 192nd Street in Shoreline.

Alpha Supported Living Services provides residential and community support for children and adults with intellectual and developmental disabilities. Recently we partnered with TWG, an Indianapolis-based real estate developer, on a project called 192 Shoreline. This is affordable housing with 250 apartments in a seven-story development at 19022 Aurora Ave N. in Shoreline. Fifty-five of the units are reserved for people with disabilities. Alpha will have designated apartment units within the building for our clients needing affordable housing. The project is set to finish by mid-2023.

As part of this project Alpha will have a community center on the second level of the housing complex. This new space will allow us to reach more individuals with intellectual and developmental disabilities and continue our vision of an inclusive community.



One of the main goals of the space is to house our Community Projects Program. Alpha's Community Projects Program is a substitute for the no longer state funded adult day services programs. One of the main activities is Alpha's Walking Club. Our Community Project Coordinators coordinate Walking Club at local parks or inside at Alderwood Mall when the weather is not cooperating. For many, Walking Club and other the Community Projects program events are the highlight of their week, ensuring regular interaction with community members, structured activities to support positive behavioral health, and a sense of purpose and connection. The green space is so close in proximity to Alpha's Community Center and the housing units. Having this park will be invaluable to our clients as well as the surrounding community. Often people with developmental disabilities are marginalized and many of the things that you and I take for granted, like driving to the beach or a park are not accessible to our clients. This green space would add so much value to their lives and break down accessibility barriers. It will also be great a space for all to enjoy and promote diversity and inclusion in the Shoreline neighborhood.

Sincerely,



Scott Livengood  
CEO, Alpha Supported Living Services  
[livengood@alphasls.org](mailto:livengood@alphasls.org)

Attachment C: 192<sup>nd</sup> “Hemlock” Proposed Townhomes

