

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Ordinance Authorizing the City Manager to Initiate Eminent Domain Proceedings
DEPARTMENT:	City Manager's Office
PRESENTED BY:	Robert L. Olander, City Manager

PROBLEM/ISSUE STATEMENT:

As indicated in the attached letter, the Shoreline Water District has indicated that they will be proceeding to public bid for sale of their portion (approximately 8 acres) of the South Woods property. However, the City of Shoreline has been working with District staff toward an equitable negotiated purchase and sale as indicated in the letter of response. While we hope that the District will reconsider this position, in light of the clear public interest and support in keeping this property as open space, and proceed with negotiations, we need to be prepared in case we are not able to arrive at a mutually agreeable position. Staff is requesting Council authorization to enter into eminent domain proceedings if necessary. In this type of proceeding the court would hear all evidence bearing on value and arrive at a fair and equitable amount for the purchase. While we expect that eminent domain will not be necessary, it may be required as a last resort.

FINANCIAL IMPACT:

If eminent domain is required the primary impact will be the indirect cost of the time required for the City Attorney which is estimated at approximately 40 hours. In addition, there may be up to \$15,000 required for updated appraisals and experts.

RECOMMENDATION

It is recommended that the City Council pass Ordinance No. 445 authorizing the City Manager to initiate eminent domain proceedings if needed.

Approved By: City Manager  City Attorney _____

Attachment

ORDINANCE NO. 445

**AN ORDINANCE OF THE CITY OF SHORELINE,
WASHINGTON, AUTHORIZING THE ACQUISITION OF
VACANT PROPERTIES AT 15031 25TH AVE. N.E., SHORELINE,
WASHINGTON BY EMINENT DOMAIN FOR PARK USE**

WHEREAS, the Shoreline City Council authorized a bond proposition for acquisition of certain park capital acquisitions and improvements including a property located at 15031 25th Ave. N.E., Shoreline, Wa. owned by the Shoreline Water District; and the bond measure was approved by the Shoreline voters at a special election held May 16, 2006; and

WHEREAS, the City has the power under RCW 8.12.030 to acquire lands through eminent domain for the public parks; and

WHEREAS, the Shoreline City Council has determined that the property described in Section 1 of this ordinance is necessary for the City's park system; and

WHEREAS, City Council wishes to authorize the City Manager to file eminent domain proceedings should the City Manager determine that direct negotiations for voluntary acquisition of the property for fair market value have been unsuccessful; and

WHEREAS, acquisition of property is categorically exempt from SEPA review under WAC 197-11-800(5)(a); now therefore

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

Section 1. Condemnation Authorized. The City of Shoreline shall acquire by negotiation or by condemnation the real properties situated in the City of Shoreline, County of King, State of Washington, consisting of approximately 7.794 acres and legally described as follows:

Lots 3 & 4, Shoreline Short Plat No. SHSP 2006-03, recorded under recording number 20060324900002, records of King County, Washington.

To the extent practicable, the City Manager or his designee shall adhere to acquisition guidelines of RCW Chapter 8.26 and is hereby authorized and directed to execute all documents for the acquisition of said properties and bring proceedings in the manner provided for by law to condemn, take, damage, and appropriate the lands and property interest described in this section pursuant to the powers granted to the City of Shoreline, including Chapters 8.12 and 8.25 RCW. The city may base its offers on an appraisal completed within six months of the offer.

Section 2. Finding of Public Use and Necessity. The Shoreline City Council finds that the acquisition of the property listed in Section 1 is for a public use and purpose, to-wit: to develop, maintain and operate a public park under RCW 35.22.280(11). The Council further finds the properties listed in Section 1 are necessary for the proposed public use and for the benefit of the public.

Section 3. Purchase Funds. Funds allocated in the City of Shoreline 2006-2012 Capital Improvement Plan shall be made available to carry out the provisions of this Ordinance.

Section 4. Effective Date and Publication. A summary of this Ordinance consisting of the title shall be published in the official newspaper, and the Ordinance shall take effect five days after publication.

PASSED BY THE CITY COUNCIL ON October 16, 2006.

Mayor Robert Ransom

ATTEST:

APPROVED AS TO FORM:

Scott Passey
City Clerk

Ian Sievers
City Attorney

Date of Publication:
Effective Date:

October 12, 2006

Shoreline Water District Board of Commissioners
Ron Ricker, President
Larry Schoonmaker, Vice President
Charlotte Haines, Secretary
1519 NE 177th Street
Shoreline, WA 98155

RE: Sale of South Woods Property

Dear Commissioners:

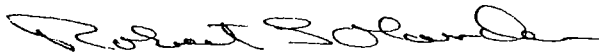
Thank you for your letter of October 4, 2006 which we received on October 10, regarding the South Woods property owned by the Shoreline Water District. Since the City Council has authorized me to negotiate for the acquisition of this property I am responding on behalf of the City of Shoreline. You indicate that the District has not received any formal written commitments from the City to purchase the property; which is correct. However, I have been in frequent contact with your District Manager and continuously expressed our urgent interest in acquiring the property through a negotiated sale at fair market value. The City has been prepared since July to make a formal offer, but only held off as a courtesy to allow the District time to complete its appraisal. Based on our two appraisals we would then be in a position to make the District a fair offer grounded in current market values. Your District Manager assures me that he has kept the Board fully informed of these discussions and our intent to pursue a negotiated sale based on a reasonable reconciliation of any differences in our appraisal assumptions and results. This is still our preferred process and assures the Board that it will have fair and adequate market appraisal information on which to base a decision. Any delays in providing the District with a formal purchase offer are solely due to the length of time it has taken for the District to complete its appraisal process.

I know the Board is fully aware of the strong community support for retaining this property as open space. A 70% majority in Shoreline approved the bond issue to retain this property as open space. This majority also includes the majority of residents and rate payers within the Water District boundaries. It is our continued hope that the District will take into consideration this majority which is expressing the community values of open space, enhanced water and air quality and environmental sustainability. We strongly believe that the District

should not ignore these values and community wishes in considering the disposition of South Woods.

It therefore comes as a surprise that the District would consider placing this property on the market for development in contravention of the expressed community will and strongly held environmental values. I would respectfully request that you reconsider this direction and continue the process of a negotiated agreement between the City and the District. To help expedite this process the City will forward a formal offer of purchase within the next week. I am confident that we can arrive at a mutually satisfactory agreement at a fair value. I look forward to working with the District on this and other projects that benefit our community

Sincerely,

A handwritten signature in black ink, appearing to read "Robert L. Olander", with a stylized, flowing script.

Robert L. Olander
City Manager

Cc: Shoreline City Council
Stu Turner, Shoreline Water District

RECEIVED
OCT 10 2006
City Manager's Office



Commissioners:
Ron Ricker
Charlotte Haines
Larry Schoonmaker

District Manager:
Stuart Turner, P.E.

October 4, 2006

Mayor and City Council
City of Shoreline
17544 Midvale Avenue, North
Shoreline, WA 98133-4921

• COUNCILMEMBER	
• FULL COUNCIL	
• CITY MANAGER	
• STAFF	
• FILE	

FYI

Dick

Subject: Sale of South Woods Property

Dear Shoreline Mayor and City Council:

The Shoreline Water District owns approximately 8 acres of what is commonly known as the South Woods Property located generally at NE 150th Street and 25th Avenue NE adjacent to Shorecrest High School and Fircrest. In late 2004 Shoreline Water District offered to sell this property to the City of Shoreline and offered to give the City until May 2005 to decide whether to purchase the property, essentially giving the City first right of refusal to purchase. Since that time, the District has not received any formal correspondence indicating the City's desire or commitment to purchase the South Woods property. The District is interested in moving forward quickly to sell the property.

We are aware that the voters in the City approved a bond issue early in 2006 to purchase parks and open space within the City of Shoreline which we understand includes the South Woods property. We are in the process of acquiring an independent appraisal of the South Woods Property and intend to dispose of the property in the manner prescribed by law as soon as the appraisal process is completed.

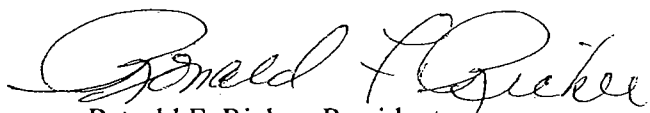
When the appraisal is completed it is the intent of the District to advertise and sell the property by public bid to the highest responsible bidder at a value established by the highest and best use of the property which is currently zoned R-6. We intend to dispose of the entire District owned portion of the South Woods Property as a single parcel and not sell it in portions. We are offering the City of Shoreline the opportunity to purchase the property at the same price established by the highest bid received. If the City is interested in matching the highest bid we request you enter into a Purchase and Sale Agreement to purchase the entire District owned portion of the South Woods Property within 15 days of the date bids are received. We also invite the City to bid on the property.

P.O. Box 55367
1519 NE 177th St.
Shoreline, WA 98155
(206) 362-8100
FAX: (206) 361-0629

The Shoreline Water District is faced with considerable financial expenditures now and into the future. These expenditures are mainly due to the demands of development and land use changes within our service area and the resulting capital requirements necessary to upgrade portions of the District system to meet the demands necessitated by the changes in land use and the impacts of City and Shoreline Fire District code enforcement requirements. It is the District's intent to finance our short term capital projects within the cities of both Shoreline and Lake Forest Park with the proceeds from the sale of the South Woods Property.

Sincerely,

SHORELINE WATER DISTRICT

A handwritten signature in dark ink, appearing to read "Ronald F. Ricker", is written over the printed name.

Ronald F. Ricker, President
Board of Commissioners

Cc Stuart Turner, P.E., District Manager
 Andrew Maron, District Attorney