

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Seattle Public Utilities (SPU)	John Ovitt/4-5975	Akshay Iyengar/4-0716

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to Seattle Public Utilities; authorizing the General Manager/CEO of Seattle Public Utilities or designee to acquire by negotiation or eminent domain (condemnation) four separate parcels of land and all other necessary property rights owned by JSO Legacy Properties, LLC; John S. Roach as his separate property, and BNSF Railway Company, all located within Blocks 25 and 26 and vacated Court Street of the recorded plat of South Seattle, for water operations general purposes, and to execute, accept, and record deeds and conveyance documents and agreements deemed by the General Manager/CEO to be necessary to this transaction on behalf of the City; placing the conveyed real properties under the jurisdiction of Seattle Public Utilities; authorizing payment of all other costs associated with the acquisition; and ratifying and confirming certain prior acts.

Summary and background of the Legislation: Seattle Public Utilities (SPU) has been renting property for its use as a material and spoils yard for over 14 years. This highly used facility is vital to efficient installation, maintenance and repair of water infrastructure.

During the past 14 years SPU has attempted to identify suitable property to replace the rented property. The four properties that are subject to this legislation is the result of that effort. SPU has entered into Purchase and Sale Agreements to purchase four contiguous parcels to be combined into one site to be utilized as a materials and storage yard. The purchases are from willing sellers for a combined purchase price of just over \$5 million.

SPU had the parcels appraised and all the agreed upon purchase and sale prices are within or below the appraised valuation range.

A materials and storage yard requires industrial-zoned property. Proximity to SPU's Operations Control Center in south Seattle is important for field crew efficiency.

Purchasing this parcel presents an opportunity for the utility to meet its need for a south materials and storage yard. Funding for this proposed property acquisition provided for by this ordinance is in the 2020 Adopted Budget.

At the request of the sellers, for tax reasons, the ordinance includes language authorizing condemnation.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

The capital expense to purchase property will remove the O&M obligation to lease which, over time, will reduce the cost of operations.

Is there financial cost or other impacts of *not* implementing the legislation?

SPU will always need a materials and spoils yard. Not implementing this legislation will result in SPU continuing to lease property for this function. Leasing the property will result in paying more in the long term as compared to purchasing this property which will pay for itself over time and will lead to lowering SPU water operating costs.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

No

b. Is a public hearing required for this legislation?

No

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No

d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

Yes. Notice of the planned final action shall be given by publication in the legal newspaper with the largest circulation in the jurisdiction where such property is located once a week for two successive weeks before the final action. A second publication must also be given in the legal newspaper routinely used by the potential contemnor, where such newspaper does not also have the largest circulation in the jurisdiction.

e. Does this legislation affect a piece of property?

Yes: See attachment to this document for a map.

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged

communities? What is the Language Access plan for any communications to the public?

The action has been evaluated by SPU's Environmental Justice and Social Equity staff using the Racial Equity Toolkit who found no adverse impact.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**

This is not a new initiative or expansion.

List attachments/exhibits below:

Summary Exhibit A – Site Location Map

Summary Exhibit B – Site Properties Map