

# 8<sup>TH</sup> & ROY DISPOSITION ORDINANCE

## Presentation to the City Council Energy & Environment Committee

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# THE 8TH & ROY PROPERTY DISPOSITION PROJECT

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- A property in South Lake Union that City Light no longer needs
- City Light has been preparing to surplus the property since 2010 – several reviews by Mayor & Council whether City should purchase from the utility
- Property sale was included as expected revenue in 2013-2018 City Light Strategic Plan
- City Light has followed the disposition process set by City Council in Resolution 31424



# THE PROPERTY: LOCATION



## ASPECTS OF THE PROPERTY

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- Some environmental contamination on the site
- Designated a Seattle Landmark in 2013
- Zoning is SM-SLU 100/95
- MHA benefits of up to 22,000 SF or \$3.5M
- Value estimated to be about \$30 million
- By law, City Light property cannot be used for any non-utility, general government or private purpose, without payment of true and full market value



## PUBLIC OUTREACH MET & EXCEEDED RES. 31424 (SEE FULL REPORT FOR MORE DETAILS)

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- No dpt/agency interested in purchase
- Community group meetings
- Mail notice / ad / site sign
- Additional email lists and reminders
- Webpage (816 views)
- Community info meeting 4/25/17
- Public hearing 5/01/17
- Asked OH and Parks to reconsider their decisions to not buy the property
- All public comments and SCL's recommendations sent to the City Council, after notice to all commenters

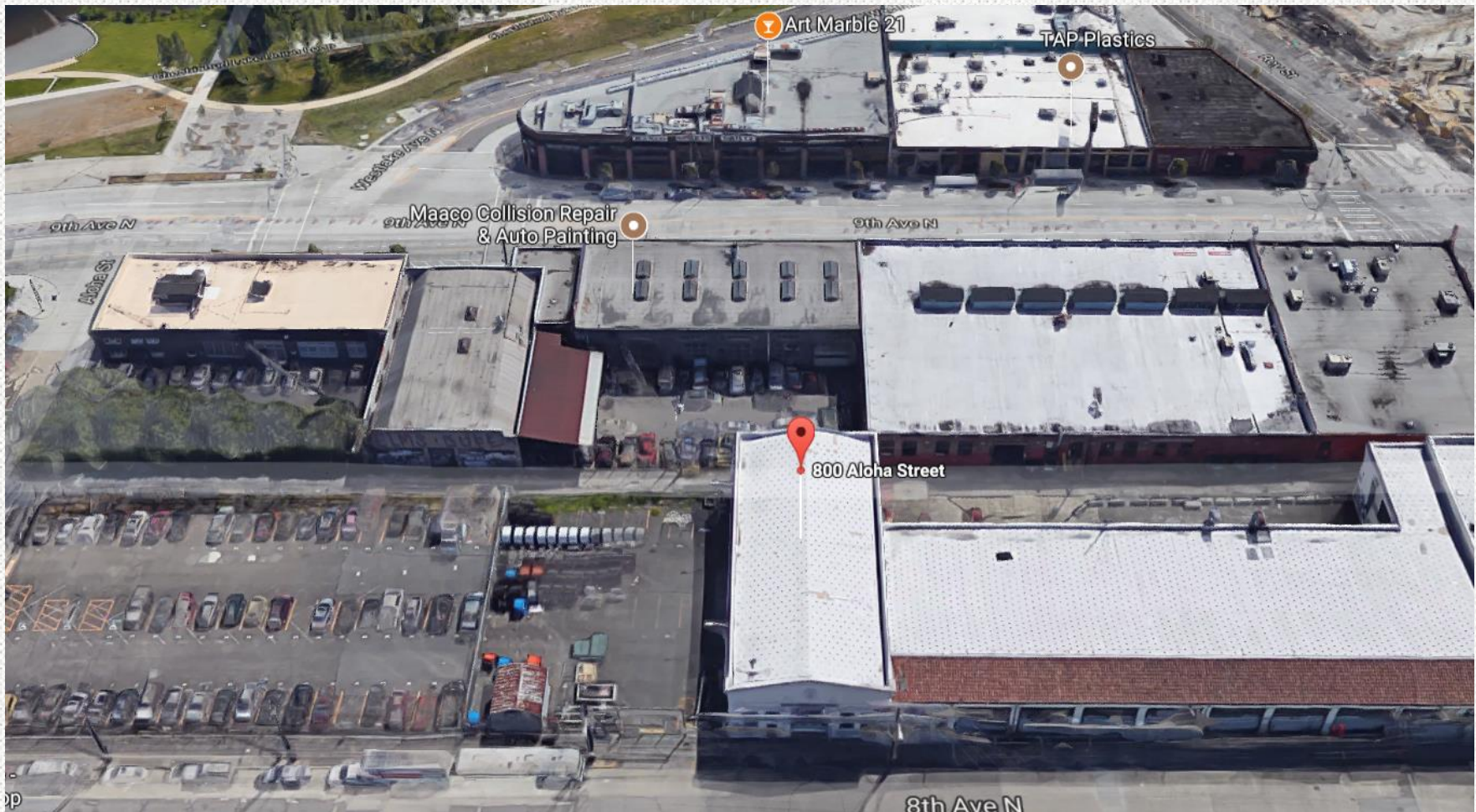
# SEATTLE PARKS AND RECREATION DECLINED TO PURCHASE

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- Service gaps in Urban Villages = those areas farther than a 5 min walk from an existing park.
- Lake Union Park, located two blocks to the east, was recently developed into a major amenity for this neighborhood.
- City Light is providing a dog park at its Denny Substation project as a community benefit for a street vacation



# PROXIMITY OF PROPERTY TO LAKE UNION PARK



# OFFICE OF HOUSING DECISION DECLINED TO FUND PURCHASE

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- Cost analysis
  - FMV price expensive given limited resources
  - Level of investment per unit needed high
- Risk analysis
  - Purchase and carrying costs prior to RFP issuance
  - Development challenges presented by the landmarked structure
- Other opportunities in the vicinity are much more cost-effective
- Redevelopment of site will provide MHA benefits



# ORDINANCE DESCRIPTION

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- Declares the 8<sup>th</sup> & Roy property as surplus for the utility and the City
- Authorizes the sale of this property for fair market value through a brokered sale
- Replenishes the Rate Stabilization Account to remove the present 1.5% surcharge, plus a buffer of up to \$10M
- Directs remaining revenue to the City Light Fund



# CITY LIGHT

## OUR VISION

To set the standard—to deliver the best customer service experience of any utility in the nation.

## OUR MISSION

Seattle City Light is dedicated to exceeding our customers' expectations in producing and delivering environmentally responsible, safe, low-cost and reliable power.

## OUR VALUES

Excellence, Accountability, Trust and Stewardship.

