

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
FAS	Hillary Hamilton 684-0421	George Dugdale 733-9297

** 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 the Department of Finance and Administrative Services; declaring 5-foot wide properties that lie between the northwesterly line of Clarmar Crags, recorded Vol. 37 page 47, in King County and the southeasterly line of Alki Beach, an unrecorded plat; being a portion of the Undesignated Tract of Plat of West Seattle Park, recorded Vol. 3 page 177 in King County, as surplus to the City’s needs; authorizing the sale of said properties to the owners of the adjoining properties; authorizing the Director of Finance and Administrative Services to execute all documents for the sale and transfer of the properties at fair market value; and directing how proceeds from the sale shall be distributed.

Summary and background of the Legislation:

This legislation seeks to dispose of City-owned parcels under 2,000 square feet in area, known as snippet properties. As with all property sales, Council action is required on snippet property sales. The snippet properties are most commonly acquired as remainders during street widening or if a property subject to a local improvement district was foreclosed. Due to their small size, they are not developable on a standalone basis. The existing snippet strategy has been to first evaluate any potential city use. Failing a City department’s interest, FAS then attempts to sell the snippet to adjacent property owner(s) for fair market value. Historically, adjacent property owners are not always eager to purchase the City land they may or may not be using. FAS has typically handled snippet sales based upon individual request. In 2018, a property owner approached FAS with a request to purchase the snippets adjacent to his property in West Seattle. The City obtained this property in 1960 when King County Treasurer conveyed numerous parcels of real property by a Treasurer's Deed. One of the parcels measured approximately five (5) feet wide by six hundred (600) feet long, bisecting an estimated 17 private properties. Sandwiched between two plats, this parcel was apparently created through a platting error. FAS recommends that the Council approve disposition of these 17 snippets, with transactions occurring as the adjacent owners agree to purchase each segment of land.

Background: The best opportunity to dispose of a snippet has historically been when the adjoining property changes hands. Since 1997, the year in which Real Estate Services was formed, 58 small parcels have been sold. Another 21 have been transferred between departments (e.g., SPR, SDOT, DON, FAS and SPL) where the small parcels would enhance the adjoining City property. Since 2015, the following eight snippets were requested to be purchased from the City, and were successfully sold:

Year	PMA	Neighborhood	Sale Amount
2015	1651	Fauntleroy	\$6,455

2015	1583	Magnolia	\$26,500
2016	1656	Rainier View	\$5,000
2017	29	Rainier Beach	\$1,000
2018	1573, 1574, 4533, 4534	Roosevelt	\$20,000 (\$5k each)

2. CAPITAL IMPROVEMENT PROGRAM

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

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? 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 sale of the properties will result in a one-time payment for the sale of each property to the City. The long-term result of the sale will be increased tax receipts with the return of the property valuation to the tax rolls.

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

Continuing to hold properties that are landlocked and not adjacent to other City properties presents undetermined maintenance responsibilities.

3.a. Appropriations

This legislation adds, changes, or deletes appropriations.

3.b. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2019 Revenue	2020 Estimated Revenue
Facility Operations Fund (50300)	FAS	Property Sales	\$0	\$12,000
Low-Income Housing Fund (16400)	Office of Housing	Property Sales	0	\$8,000
TOTAL			\$00	\$20,000

Is this change one-time or ongoing? This is one-time revenue. Once the properties are sold to the adjacent property owners there will be no further revenue generated.

Revenue/Reimbursement Notes:

It is anticipated that several of the adjacent property owners will make purchases of the properties covered in this summary. As the properties are small and of limited utility, the value for each is estimated to be between \$500 and \$1,500 for an estimated total of \$20,000. Sales proceeds associated with each individual property sales will be deposited to the Facility Operations Fund. 80 percent of the net proceeds will be directed to the Low-Income Housing fund, and the remaining 20% of the net proceeds would be deposited to the Facility Operations Fund.

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?**
No
- e. **Does this legislation affect a piece of property?** Yes, a map is attached.
- 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?** None.
- 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).** N/A

List attachments/exhibits below:

Summary Attachment 1 – West Seattle Snippets