

## SUMMARY and FISCAL NOTE

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>Executive Contact/Phone:</b>
Legislative	Tony Kilduff/4-3580	N/A

### **1. BILL SUMMARY**

AN ORDINANCE relating to the City Light Department; declaring the former Ambaum, Andover, Dakota, Delridge, Dumar, Fauntleroy, Glendale, and White Center Substation properties as surplus to the City's needs and no longer required for providing public utility service or other municipal purpose; authorizing the sale of the former White Center Substation to King County, the sale of the former Ambaum Substation to the City of Burien, and the sale of the former Andover, Dakota, Delridge, Dumar, Fauntleroy, and Glendale Substations for fair market value through negotiated or brokered sales to be managed by the Department of Finance and Administrative Services or the City Light Department; and authorizing the General Manager and Chief Executive Officer of the City Light Department to execute all necessary documents to accomplish such property sales and to deposit the proceeds in the City Light Fund.

#### **Summary and Background of the Legislation:**

**Summary:** This legislation declares eight former substation sites in West Seattle surplus to the City's needs and authorizes Seattle City Light to sell them as follows:

- The former Ambaum Substation to the City of Burien, and the former White Center Substation to King County;
- Community-based non-profit organizations will be given up to one year to purchase the former Fauntleroy and Delridge Substations;
- Community-based non-profit organizations will be given up to two years to purchase the former Dakota Substation; and
- City Light will sell the former Dumar Substation site after two years to allow time for a rezone to commercial at the request of the Highland Park Action Committee.

The estimated revenue from the sale of these properties is \$1,989,000.

**Background:** In 2012, by Resolution 31317, the City Council requested that Seattle City Light conduct a Surplus Property Disposition Pilot Project to test alternative, improved circulation and community outreach procedures, to determine the best disposition for surplus City Light properties. The Pilot Project was a success, leading to the sale of six surplus former substations, most in Northeast Seattle, with strong community support.

In 2013, by Resolution 31424, the City Council requested that City Light follow the revised procedures for additional groups of surplus properties, using the improved circulation and community outreach procedures, and that City Light then make recommendations to the City Council on the best dispositions for those properties.

Following the procedures for improved circulation and public outreach in Resolution 31424, City Light then conducted a study of nine surplus properties, six in West Seattle, one in Burien, one in SeaTac, and one in the Rainier Valley, referred to as the Southwest Seattle Surplus Property Disposition Study. A detailed report on the Southwest Seattle Study has been provided to the City Council and is included in Clerk File 319458.

As part of the 2015 Adopted Budget, the City Council adopted the Statement of Legislative Intent (SLI) No. 47-2-A-2, which requested that the City Budget Office and the Department of Parks and Recreation create an interdepartmental team (IDT) “to evaluate the concept and need for a new Open Space Opportunity Fund (OSOF).”

The OSOF would be a City-managed fund “that would work with community members and organization to assist in the purchase or retention of surplus City property for use as publicly accessible “open space.” The Council further envisioned that the purchase of surplus real property might be supplemented with funds from community members or organization that express interest in retaining surplus properties as open space.

**This legislation is intended to: a) implement the direction of Resolution 31424; and b) provide opportunities consistent with the intent of SLI 47-2-A-2 for community-based non-profit organizations to purchase selected surplus properties. This legislation will:**

- **Provide a first option for the City of Burien to purchase the former Ambaum Substation for appraised value, for preservation as open space.**
- **Provide a first option for King County to purchase the former White Center Substation, for appraised value, for use in the Highland Park and South Park Stormwater Infrastructure Project.**
- **Provide a one-year opportunity for community-based, non-profit organizations to purchase the former Fauntleroy and Delridge Substation for preservation as open space; the terms and conditions of these two purchases would need to be consistent with any recommendations by the City Budget Office and the Department of Parks and Recreation in response to SLI 47-2-A-2, and approved by the City Council.**
- **Provide a two-year opportunity for community-based, non-profit organizations to purchase the former Dakota Substation for preservation as open space; the terms and conditions of these two purchases would need to be consistent with any recommendations by the City Budget Office and the Department of Parks and Recreation in response to SLI 47-2-A-2, and approved by the City Council.**
- **Declare the former Dumar Substation surplus but require City Light to delay sale for two years to allow the possibility of a rezone to commercial at the request of the Highland Park Action Committee.**
- **Provide authorization for Seattle City Light to sell the former Andover and Glendale Substations, and any of the above properties not purchased by the specified entities,**

**through negotiated or brokered sales to be managed by the Department of Finance and Administrative Services.**

The former Wabash Substation, which was also part of the Southwest Seattle Surplus Property Disposition Study, was transferred to Seattle Public Utilities, for stormwater control purposes, by Ordinance 124697.

**2. CAPITAL IMPROVEMENT PROGRAM**

N/A This legislation creates, funds, or amends a CIP Project.

**3. SUMMARY OF FINANCIAL IMPLICATIONS**

X This legislation has direct financial implications.

<b>Budget program(s) affected:</b>				
<b>Estimated \$ Appropriation change:</b>	<b>General Fund \$</b>		<b>Other \$</b>	
	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>
	N/A	N/A	N/A	N/A
<b>Estimated \$ Revenue change:</b>	<b>Revenue to General Fund</b>		<b>Revenue to Other Funds</b>	
	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>
	N/A	N/A	N/A	\$934,000
<b>Positions affected:</b>	<b>No. of Positions</b>		<b>Total FTE Change</b>	
	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>
	N/A	N/A	N/A	N/A
<b>Other departments affected:</b>	N/A			

**3.a. Appropriations**

N/A This legislation adds, changes, or deletes appropriations.

**3.b. Revenues/Reimbursements**

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

**Anticipated Revenue/Reimbursement Resulting from this Legislation:**

<b>Fund Name and Number</b>	<b>Dept</b>	<b>Revenue Source</b>	<b>2015 Revenue</b>	<b>2016 Estimated Revenue</b>
City Light Fund 41000	Seattle City Light	Surplus Property Sales		\$934,000
<b>TOTAL</b>				<b>\$934,000</b>

**3.c. Positions**

N/A This legislation adds, changes, or deletes positions.

**4. OTHER IMPLICATIONS**

- a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?**  
 Yes, the sale of these properties will relieve City Light of the long-term maintenance and utility costs for these properties.
- b) **Is there financial cost or other impacts of not implementing the legislation?**  
 Yes, City Light would not receive the sales revenue estimated at \$1,989,000.
- c) **Does this legislation affect any departments besides the originating department?**  
 Yes, any properties not sold to another public agency, or to a non-profit community-based organization, as provided in the legislation, would be sold through negotiated or brokered sales to be managed by the Department of Finance and Administrative Services.
- d) **Is a public hearing required for this legislation?**  
 Yes. A public hearing is required as provided by RCW 35.94.040.
- e) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
 No.
- f) **Does this legislation affect a piece of property?**  
 Yes, this legislation would authorize the sale of the former Ambaum, Andover, Dakota, Delridge, Dumar, Fauntleroy, Glendale, and White Center Substations; a map showing all of these properties is provided as Attachment 1 to this Summary and Fiscal Note. Maps of the individual properties and key data for each are shown in Attachment A to the “Report to the City Council, Southwest Seattle Surplus Property Disposition Study” in Clerk File \_\_\_\_\_ .
- g) **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**  
 This legislation provides an opportunity for non-profit community-based organizations to purchase the former Fauntleroy and Delridge Substations. One of these properties is in a lower income diverse neighborhood.

- h) If this legislation includes a new initiative or a major programmatic expansion:  
What are the long-term and measurable goals of the program? Please describe how  
this legislation would help achieve the program's desired goals.**

N/A

- i) Other Issues:**

None.

**List attachments below:**

Attachment 1: Map of the Properties