

SUMMARY and FISCAL NOTE*

| Department: | Contact Person/Phone: | Executive Contact/Phone: |
|--------------------|------------------------------|---------------------------------|
| Seattle City Light | Lynn Best / 386-4586 | Greg Shiring / 386-4085 |

1. BILL SUMMARY

Legislation Title:

AN ORDINANCE relating to the City Light Department; declaring the former University Substation property as surplus to the City’s needs and no longer required for providing public utility service or other municipal purpose; authorizing the sale of this property for appraised value to the University of Washington, or to be sold through a brokered sale managed by the Department of Finance and Administrative Services; authorizing the General Manager and Chief Executive Officer of the City Light Department or designee to execute all necessary documents to accomplish such property sale, and to deposit the proceeds of the sale in the City Light Fund.

Summary and background of the Legislation:

Summary:

This legislation declares the former University Substation property surplus to the City’s needs and authorizes Seattle City Light to offer the property for sale to the University of Washington for appraised value. If the University is unable or elects not to purchase the property within six months after the effective date of the ordinance authorizing the sale, the property will be sold through a brokered sale to be managed by the Department of Finance and Administrative Services.

Background:

This property, located at 711 NE Northlake Place, is a former 4 kV substation and also housed a rectifier which provided DC power for electric streetcars. This property has not been needed for these purposes since City Light’s conversion to a 26 kV electric distribution system, and the discontinuance of electric streetcars in this area.

At the request of City Light, the Department of Finance and Administrative Services (FAS) conducted a review of the potential reuse and disposal of the property in accordance with Resolution 29799, as modified by Resolution 30862. During this process, the University of Washington expressed an interest in purchasing the property.

After a review of potential reuses by other City departments including the Office of Housing, FAS recommended that the property be sold at appraised value to the University of Washington. If the University is unable or declines to purchase the property within six months after the effective date of this ordinance, the property will be sold at fair market value through a brokered sale to be managed by FAS.

The Final Recommendation Report on Reuse and Disposal of the Seattle City Light Excess

Property PMA 4052, Former University Substation, dated March 15, 2016, is provided as Attachment 1 to this Summary and Fiscal Note.

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.

| | | | | |
|---|--------------------------------|-------------|-------------------------------|-------------|
| Budget program(s) affected: | | | | |
| Estimated \$ Appropriation change: | General Fund \$ | | Other \$ | |
| | 2016 | 2017 | 2016 | 2017 |
| | N/A | N/A | N/A | N/A |
| Estimated \$ Revenue change: | Revenue to General Fund | | Revenue to Other Funds | |
| | 2016 | 2017 | 2016 | 2017 |
| | N/A | N/A | \$621,000 | N/A |
| Positions affected: | No. of Positions | | Total FTE Change | |
| | 2016 | 2017 | 2016 | 2017 |
| | N/A | N/A | N/A | 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:

| Fund Name and Number | Dept | Revenue Source | 2016 Revenue | 2017 Estimated Revenue |
|-----------------------------|--------------------|-----------------------|---------------------|-------------------------------|
| City Light Fund (41000) | Seattle City Light | Surplus Property Sale | \$621,000 | \$0 |
| TOTAL | | | \$621,000 | \$0 |

Revenue/Reimbursement Notes:

The fair market value for the Former University Substation property is estimated to be

\$621,000; this estimate is based on King County assessed values for nearby properties.

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 to be \$621,000.
- c) **Does this legislation affect any departments besides the originating department?**
FAS is managing the reuse and disposition review process, and will be managing the sale of the property.
- d) **Is a public hearing required for this legislation?**
Yes. A public hearing is required as provided by RCW 35.94.040.
- e) **Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**
No.
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No publication is required.
- g) **Does this legislation affect a piece of property?**
Yes, a map is provided as Attachment 2 to this Summary and Fiscal Note.
- h) **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**
The sale of this property will affect not vulnerable or historically disadvantaged communities.
- i) **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.**
This legislation is not part of a new initiative.
- j) **Other Issues:**
None.

Daniel Bretzke
SCL Sale of 711 NE Northlake Place SUM
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List attachments/exhibits below:

Attachment 1: Final Recommendation Report on Former University Substation
Attachment 2: Map of the Property