



MEMO TO: Members of the City Council

FROM: Mayor John Marchione

DATE: December 5, 2017

SUBJECT: Declaring Certain Stormwater Utility Properties to be Surplus to the Needs of the City and Authorizing Lease of the Properties

I. RECOMMENDED ACTION

After holding a public hearing, adopt a resolution stating that the two utility properties located at 4612 159th Ave. NE (King County Tax Parcel 856293-0450) and 4618 159th Ave. NE (King County Tax Parcel 856293-0460), are surplus to the City's utility needs, are not required for continued public utility service and shall be leased, and that the Mayor or his designee is authorized to lease the properties (see attachments A and B).

II. DEPARTMENT CONTACTS

Linda De Boldt, Public Works Director	425-556-2733
Debby Wilson, Real Property Manager	425-556-2715
Gary Schimek, Engineering Manager	425-556-2742
Stephen Hitch, Senior Engineer	425-556-2891
Terry Marpert, AICP, Economic Development Specialist	425-556-2428

III. DESCRIPTION/BACKGROUND

A. The Utility Properties

On September 15, 2017, the City Council received a staff report on the status of the Watershed Management Plan adopted in 2013. The plan identified Tosh Creek as a high priority for restoration because the creek is impacted by inadequate stormwater controls and suffers from incised channels, high peak flows, erosion, and has a history of flooding. Improved stormwater infrastructure projects, including culvert replacement and stream restoration, will improve conditions for cutthroat trout, Coho salmon, and other native aquatic species, ultimately providing spawning and rearing habitat for Coho salmon and refuge habitat for Chinook salmon.

As staff reported to Council, the 2015 Tosh Creek Watershed Restoration Plan identified a series of projects to improve the Tosh Creek watershed. One of these projects is the 159th Ave. NE Detention Vault to be located on private property near the most eroded part of the

watershed next to tributaries of Tosh Creek. This required that the City buy two single-family detached houses along the east side of 159th Ave. NE. This was done in mid-2016.

Through many meetings with the public, including residents along 159th Ave. NE, the City analyzed further project options, including construction of a smaller vault that would have less impact on the neighborhood and not require removal of the two houses. City staff will continue to evaluate the smaller vault and other options. Therefore the proposed resolution in this memorandum (Attachment B), states that the two utility properties be declared as surplus to the City's utility needs, and that the Mayor be authorized to lease the properties. With further study of the Tosh Creek Watershed and the vault design, the City could eventually sell the properties.

B. Public Hearing

A public hearing is required by state law before the City can declare that real property is surplus to its needs, and subsequently sell or lease the property. After considering public comments, the City Council can then vote on the resolution that declares that the properties are surplus, and can be leased. If the Council approves the resolution in Attachment B, the properties will be leased subject to the specified terms and conditions of the resolution. Lease proceeds will be deposited into the appropriate City utility fund.

C. Property Details

1. 4612 159th Ave. NE

The property size is 13,600 square feet, with a 2,430 square foot single-family detached house. The Comprehensive Plan land use designation is Single-Family Urban, zoned R-6, Single-Family Urban Residential (six units per gross acre.)

2. 4618 159th Ave. NE

The property size is 9,900 square feet, with a 2,680 square foot single-family detached house. The Comprehensive Plan land use designation is Single-Family Urban, zoned R-6, Single-Family Urban Residential (six units per gross acre.)

Both properties were purchased in mid-2016.

D. Public Notice

A notice of the December 5, 2017 City Council hearing was mailed to Redmond properties within 500 feet of the two utility properties on November 17, 2017, and published in the *Seattle Times* on November 21, 2017.

E. State Law

RCW 35.94.040, *Lease or Sale of Land or Property Originally Acquired for Public Utility Purposes*, governs the sale of surplus utility properties and states that:

“Whenever a city shall determine, by resolution of its legislative authority, that any lands, property, or equipment originally acquired for public utility purposes is surplus to the city's needs and is not required for providing continued public utility service, then such legislative authority by resolution and after a public hearing may cause such lands, property, or equipment to be leased, sold, or conveyed. Such resolution shall state the fair market value or the rent or consideration to be paid and such other terms and conditions for such disposition as the legislative authority deems to be in the best public interest.”

The proposed resolution in Attachment B addresses the requirements of RCW 35.94.040:

1. The two utility properties described were originally acquired for utility purposes;
2. They are surplus to the City’s needs and are no longer needed for continued public utility service;
3. The City Council held a public hearing before voting on the resolution to lease the properties; and
4. If the resolution is adopted, the Mayor or his designee is authorized to lease the properties.

IV. PREVIOUS DISCUSSIONS HELD

Date	Action / Committee Presentation
July 16, 2013	Acceptance of Ecology Grant to Study Tosh Creek
December 3, 2013	Adoption of Citywide Watershed Management Plan
April 14, 2015	Planning and Public Works Committee
June 16, 2015	Approval of Consultant Agreement with HDR C to design a group of Tosh Creek Restoration projects
December 1, 2015	Acceptance of King County Grant for 50 th Way Flood Reduction and Acceptance of Ecology Grant for 159 th Vault
August 9, 2016	Planning and Public Works Committee
October 11, 2016	Study Session
February 21, 2017	Acceptance of 50 th Way Flood Reduction Construction
August 8, 2017	Planning and Public Works Committee
September 5, 2017	Staff Report
November 14, 2017	Planning and Public Works Committee

V. IMPACT

A. Service/Delivery:

This action will not have an impact on City services.

B. Fiscal Note:

Proceeds from the lease of the properties shall be deposited into the appropriate City utility account(s).

VI. ALTERNATIVES TO STAFF RECOMMENDATION

The City Council could choose not to adopt the proposed resolution and continue to hold and maintain the two properties.

VII. TIME CONSTRAINTS

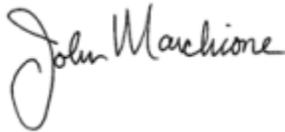
The City is under no time or financial obligation to sell the properties.

VIII. LIST OF ATTACHMENTS

Attachment A: Maps of the Tosh Creek Watershed and Utility Properties
Attachment B: Resolution



Linda De Boldt, Director of Public Works



Approved for Agenda _____

John Marchione, Mayor