



MEMO TO: Committee of the Whole-Finance, Administration, and Communications

FROM: Malisa Files, Debby Wilson

DATE: August 28, 2018

SUBJECT: Update to Proposed Resolution to Increase Efficiency of Real Property Transactions

I. PURPOSE ☐ For Info Only ☒ Potential Agenda Item ☐ Scheduled for Council Action

II. DEPARTMENT CONTACTS

Malisa Files, Finance Director	425-556-2166
Debby Wilson, Program Administrator	425-556-2715

III. DESCRIPTION/BACKGROUND

RCW 35A.11.010 vests all power to the City's legislative body to purchase, lease, receive, or otherwise acquire real property, and to use, enjoy, hold lease, control, convey or otherwise dispose of the same. Acquiring and managing real property or real property rights follows the same procedures as all other business items requiring Redmond's legislative body's approval.

As discussed at the Study Session on June 12, 2018, to improve process efficiency, Staff will be requesting Council's consideration to authorize the Mayor, or his designee, to address property transactions that meet certain parameters. The parameters align with authority granted for other non-real property contractual transactions.

Analysis

Over the last few years, on average, City staff addressed well over one hundred property transactions a year. The City anticipates the number of transactions will grow under the development agreements with Sound Transit and Microsoft. The majority of the transactions are approved through capital projects and land use approvals. However, each year there are property transactions which occur that do not fall within the process for the majority of capital projects or municipal code related approvals, for example an easement across City property to support power to another property or disposition of property considered surplus to the public need. To improve process efficiency and expedite transactions that are administrative in nature, Staff requests Council's consideration to authorize the Mayor, or his designee, to address these types of property transactions within the parameters outlined in Exhibit A of the Resolution.

Previous discussions with Council on this topic occurred as outlined below:

Date:	
May 22, 2018	Committee of the Whole-Finance, Administration, and Communications
June 12, 2018	Council Study Session

IV. TIME CONSTRAINTS

Council's adoption of the proposed resolution would expedite specific project timelines such as those related to Sound Transit.

V. LIST OF ATTACHMENTS

1. Draft Resolution

CITY OF REDMOND

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, DELEGATING AUTHORITY TO THE MAYOR OR HIS DESIGNEES TO APPROVE ACQUISITION, ACCEPTANCE, USE, AND DISPOSITION OF REAL PROPERTY RIGHTS AND INTERESTS WITHIN CERTAIN PARAMETERS.

WHEREAS, the City of Redmond owns more than 300 parcels of real property and thousands of easements and other areas in the City that are dedicated to the public; and

WHEREAS, the City continues to acquire and accept real property interests on an ongoing basis for the City's capital improvement projects, for developments that are required to dedicate or convey land to the City for infrastructure, and for other non-capital needs of the City; and

WHEREAS, acquiring and managing these property interests includes agreeing on the terms of acquisition, acceptance of dedicated interests, encumbering City property when in the City's interest to do so, disposing of property, and seeking and taking advantage of opportunities; and

WHEREAS, RCW 35A.11.010 vests all power to purchase, lease, receive, or otherwise acquire real property, and to use, enjoy, hold, lease, control, convey or otherwise dispose of the same in the City Council; and

WHEREAS, in order to improve the efficiency of the City's process of acquiring, managing and disposing of real property, the City Council desires to delegate authority to the Mayor or his designees to approve acquisition, acceptance, use and disposition of real property rights and interests on the City's behalf within certain parameters; and

WHEREAS, of 489 real property transactions competed by the City between 2015 and 2017, this delegation would have changed the process for 38 of the transactions, so the City Council will continue to exercise the authority over real property transactions in the vast majority of cases.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. Delegation of Authority. The Mayor or his designees are hereby authorized to exercise final approval authority over those real property transactions described on Exhibit A attached to this resolution and incorporated herein by this reference as if set forth in full. The parameters within which this authority may be exercised are set forth in the Exhibit.

Section 2. Effective Date. This Resolution shall become effective immediately upon passage by the Redmond City Council.

ADOPTED by the Redmond City Council this ____ day of _____, 2018.

CITY OF REDMOND

JOHN MARCHIONE, MAYOR

ATTEST:

MICHELLE M. HART, MMC, CITY CLERK

(SEAL)

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
EFFECTIVE DATE:
RESOLUTION NO.

EXHIBIT A

PARAMETERS OF REAL PROPERTY RIGHTS CONVEYANCES
SUPPORTING APPROVAL OF ACQUISITION, ACCEPTANCE, USE AND/OR DISPOSITION
OF REAL PROPERTY RIGHTS BY MAYOR, OR THEIR DESIGNEE

NATURE OF EXISTING PROPERTY RIGHTS	CONVEYANCE: CITY IS		TYPE OF RIGHTS TO BE CONVEYED	DOCUMENT TYPE TO BE USED FOR CONVEYANCE OF RIGHTS	CRITERIA FOR CONVEYANCE	MAXIMUM CONSIDERATION (OR VALUE)	MAXIMUM PERIOD (w/ no more than 1 extension period)
	GRANTOR	GRANTEE					
Fee Owned by City	Grantor	Grantor	Permanent; Less than Fee	<ul style="list-style-type: none">Easement	<ul style="list-style-type: none">Supports development of City property, orSupports development of City property by others having third party agreement to use City property, orSupports development of property adjacent to City property, andNo interference with primary use of City's property	n/a	n/a
Fee Owned by City	Grantor	Grantor	Temporary; Less than Fee	<ul style="list-style-type: none">EasementPermitUse AgreementLicense	<ul style="list-style-type: none">Required by development approval for development of City property or third party property in the vicinity, andNo interference with primary use of City's property	\$150,000 /year	2 years
Fee Owned by City and Private Third Party	Grantor, Grantee	Grantor, Grantee	Permanent or Temporary; Fee or Less	<ul style="list-style-type: none">DeedEasement	<ul style="list-style-type: none">Reciprocal and mutual benefit, andNo interference with primary use of City's property	Equitable/ Mutual Benefit	
Fee Owned by City	Grantor	Grantor	Permanent; Fee	<ul style="list-style-type: none">Deed	<ul style="list-style-type: none">Property has been determined to be Surplus to City's needs, andAligns with requirements of original funding source	\$300,000	
Fee Owned by Private Third Party	Grantee	Grantee	Permanent; Fee or Less	<ul style="list-style-type: none">DeedEasement	<ul style="list-style-type: none">Acquisition/Acceptance of rights to support approved/authorized public improvement, andNot being acquired under threat or in lieu of eminent domain	\$300,000	
Fee Owned by Private Third Party	Grantee	Grantee	Temporary; Less than Fee	<ul style="list-style-type: none">EasementPermitUse AgreementLicense	<ul style="list-style-type: none">Acquisition/Acceptance of rights to support approved/authorized public improvement, andNot being acquired under threat or in lieu of eminent domain	\$150,000 /year	2 years
City Property with Restrictions, Limited Use Covenant and/or Conveyed by Dedication	Grantor	Grantor	Temporary; Less than Fee	<ul style="list-style-type: none">PermitUse AgreementLicense	<ul style="list-style-type: none">Supports compatible use of developed public property, orSupports compatible use of undeveloped public property if no near term public use is planned, andCity has right to grant such use of property	\$150,000 /year	2 years
City's Rights to Private Third Party Property	Grantor	Grantor	Release/Termination	<ul style="list-style-type: none">EasementAgreementStatement	<ul style="list-style-type: none">Rights are no longer needed, or were never needed to support original conveyance, orCorrection to location or repositioning necessary to support public use, and similar (size and value) rights to be conveyed	\$300,000	