

**PORT OF SEATTLE**  
**MEMORANDUM**

**COMMISSION AGENDA**  
**ACTION ITEM**

<b>Item No.</b>	6b
<b>Date of Meeting</b>	March 5, 2013

**DATE:** February 22, 2013

**TO:** Tay Yoshitani, Chief Executive Officer

**FROM:** W. Allan Royal, Manager Real Estate Development

**SUBJECT:** Second Reading and Final Passage of Resolution No. 3675: Property Conveyance of real property to Central Puget Sound Regional Transit Authority (Sound Transit).

**Net Proceeds to the Port:** \$3,393,000

**ACTION REQUESTED:**

Request Second Reading and Final Passage of Resolution No. 3675: A Resolution of the Commission of the Port of Seattle declaring four parcels of certain real property located at: 28th Avenue and 200th Street, and on 28th Avenue south of 200th Street, SeaTac, Washington, to be surplus and no longer needed for port district purposes and authorizing the Chief Executive Officer to execute all documents necessary for conveyance of the title and sale of the real property to Sound Transit. The value of the real property being sold, determined by appraisal, will provide a net proceeds to the Port totaling \$3,393,000.00.

**SYNOPSIS:**

**Port property Sound Transit has identified as needed for South Link.**

Sound Transit has identified three Port-owned parcels of land needed for the Airport Link Light Rail project. One parcel has two pieces and are in the triangle-shaped property on 28<sup>th</sup> Avenue and 200th Street. These two pieces were severed from the large parcel, King County Parcel 0422049136, to the west upon the realignment of 28<sup>th</sup> Avenue.

The remaining two contiguous parcels, King County Parcels 3445000095 and 3445000098, are on 28<sup>th</sup> Avenue south of 200<sup>th</sup> and were acquired for noise mitigation purposes, see **Exhibit A**. The fair market value of the properties was determined by appraisal. The sale of the property has been approved by the Federal Aviation Administration.

**BACKGROUND:**

As part of the Port of Seattle's on-going effort to encourage alternate environmentally friendly means of accessing the Airport, the Port has diligently worked to facilitate the development of Link Light Rail to the Airport and across Port property. The extension of Link Light Rail south of the Airport will ultimately provide passengers and employees coming from the south another means of transportation.

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The extension of Link Light Rail to 200<sup>th</sup> Street is the next step in Sound Transit's effort to provide regional connections for the citizens from Seattle to Tacoma.

### **PROJECT JUSTIFICATION:**

Approval of the sale of these properties will help improve access to Sea-Tac International Airport for our passengers and employees.

It will also help reduce vehicular traffic, which would prolong the capacity of our Airport drives through reduced traffic, and reduce emissions from the public's access to our facility.

#### ***Project Objectives:***

- Facilitate the extension of Link Light Rail to the south.
- Assist in providing environmental sound alternatives for passenger and employee access.
- Reduce vehicular traffic to and from the airport.

### **PROJECT SCOPE OF WORK AND SCHEDULE:**

#### ***Scope of Work:***

Sell King County Parcels 0422049136, 0445000095, and 3445000098 to Sound Transit.

#### ***Schedule:***

Transfer of property will occur in early 2013.

### **FINANCIAL IMPLICATIONS:**

#### ***Financial Analysis and Summary:***

	Appraised Value	Net to Port
KC Parcel 0422049136	\$2,383,000	\$2,383,000
KC Parcels 3445000095 & 3445000098	\$1,010,000	\$1,010,000
		<hr/>
		\$3,393,000

The proceeds of the sale of King County Parcels 3445000095 and 3445000098 will have an FAA restricted component of \$599,940 because they were acquired with a Noise Grant. The proceeds of the sale will be used to fund the Olympic School project, which is part of the FAA-approved noise mitigation agreement between the Highline School District and the Port of Seattle.

### **STRATEGIC OBJECTIVES:**

The Century Agenda calls for making the Seattle-Tacoma International Airport the Gateway of choice. Ensuring alternative means of getting to and from the Airport is one important component in achieving that goal. In addition, accommodating electric link light rail is a step

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forward in another Century Agenda goal of being the greenest and most energy efficient port in North America.

### **BUSINESS PLAN OBJECTIVES:**

The approval of these actions will meet the objectives of:

- Operating a world-class international airport by meeting our tenants, passengers and employees needs for alternate means of getting to and from the Airport.
- Helping reduce the Airport's environmental impact by facilitating a cleaner alternative to vehicular traffic.

### **ENVIRONMENTAL SUSTAINABILITY:**

The proposed action will help improve air quality by reducing vehicular traffic with providing the alternative of electric Link Light Rail.

### **TRIPLE BOTTOM LINE SUMMARY:**

Supporting Sound Transit's South Link project will provide a long-term solution in regional transportation by expanding the existing Link Light Rail access to the Airport and enabling the region to continue to receive the economic benefit of Link Light Rail. The Link Light Rail extension from the Airport Station to the South 200<sup>th</sup> Station complements the Port's environmental commitment by providing alternate means of transportation for Airport customers and employees and a low-cost method to get to and from the Airport from our local communities. Extension of the Link Light Rail system to South 200<sup>th</sup> Street will provide additional capacity to the existing system, thereby serving a greater ridership base to the south.

The Port has no direct involvement in hiring or contracting this project. However, Sound Transit estimates this will provide approximately 2,600 jobs over the next three years during the construction of the Link Light Rail and Sound Transit's guidelines call for "Maximum use of minority, women and disadvantaged businesses." Also, Sound Transit has a guideline of "Maximum use of local businesses in their Diversity Program."

### **ALTERNATIVES CONSIDERED AND THEIR IMPLICATIONS:**

Alternative 1: Do not approve the action requested. This would stop Link Light Rail from proceeding on a cooperative basis and would more than likely force a condemnation action. This is not the recommended alternative.

Alternative 2: Approve the action requested. This will provide Link Light Rail's continued expansion to the south. **This is the recommended alternative.**

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### **OTHER DOCUMENTS ASSOCIATED WITH THIS REQUEST:**

- Resolution No. 3675
- Exhibit A

### **PREVIOUS COMMISSION ACTIONS OR BRIEFINGS:**

- April 27, 2010 – Commission authorization for Chief Executive Officer to execute a professional services Indefinite Delivery/Indefinite Quantity (IDIQ) contract for roadways planning and preliminary design services totaling \$600,000 for one (1) year with the option to extend for up to two (2) additional years.
- May 10, 2011 – Commission briefing on the status of project coordination between the Port and Sound Transit. The briefing covered progress on the integration of Light Rail and the Port's future roadways through preliminary design, intergovernmental agreements and next steps.
- February 14, 2012 – Commission authorization for the Chief Executive Officer to design, advertise, award, and construct the relocation of several Port utilities in advance of and to accommodate Sound Transit's South Link project for a total estimated cost of \$950,000. All costs associated with this work will be reimbursed by Sound Transit.
- May 1, 2012 – Staff updated the Port Commission on the South Link project and upcoming actions associated with the project.
- May 22, 2012 – Commission approved the South Link Memorandum of Agreement with Sound Transit to establish the real property, financial, design, and construction arrangements for construction of the South Link Project at Seattle-Tacoma International Airport and authorizing the Chief Executive Office to execute all necessary documents.
- February 26, 2013 – Commission conducted First Reading and Public Hearing for Resolution No. 3675.