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CB 117253

Lise A. Ward
DPR N Rainier HUV Acq ORD
June 7, 2011
Version #2

ORDINANCE _____

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AN ORDINANCE relating to the Department of Parks and Recreation; authorizing the acquisition of real property commonly known as 3656 34th Avenue South and 3640 35th Avenue South; authorizing acceptance and recording of deeds for open space, park, and recreation purposes; and increasing appropriations to the Department of Parks and Recreation in the 2011 Budget; all by a three-fourths vote of the City Council.

WHEREAS, by Resolution 31055 the City Council created the Parks and Green Spaces Levy Citizens' Advisory Committee to ensure citizen participation in the development of a potential package of parks, open space, boulevards, trails, green infrastructure, and recreation projects, and a proposed set of options to fund the package; and

WHEREAS, the Parks and Green Spaces Levy Citizens' Advisory Committee, after being duly appointed and after spending many hours in open meetings and receiving public testimony and deliberating on the levy, voted by a strong majority to recommend that the City Council place a \$145.5 million six-year levy proposal for park purposes before the voters of Seattle; and

WHEREAS, in response to this recommendation, the City Council passed Ordinance 122749, placing Proposition 2, the 2008 Parks and Green Spaces Levy, before the voters of Seattle; and

WHEREAS, the 2008 Parks and Green Spaces Levy was approved by Seattle voters on November 4, 2008; and

WHEREAS, Ordinance 122749 identifies the North Rainier Hub Urban Village for a potential neighborhood park acquisition; and

WHEREAS, the Department of Parks and Recreation considers the North Rainier Hub Urban Village as significantly underserved with quality open space, and the area is, therefore, a priority area for additional acquisition of parks and open space; and

WHEREAS, two adjacent properties located at 3656 34th Avenue South and 3640 35th Avenue South are well suited for open space, park, and recreation uses; and

WHEREAS, the City has determined that the purchase of the adjacent properties located at 3656 34th Avenue South and 3640 35th Avenue South will provide a new neighborhood park that meets the criteria to address open space needs established in Seattle's Parks and Recreation 2006 Development Plan, and Seattle's 2006 Open Space Gap Report Update,



1 and that it is in the public's best interest to acquire the same for open space, park, and
2 recreation purposes; NOW, THEREFORE,

3 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

4 Section 1. The Superintendent of Parks and Recreation ("Superintendent"), or his or her
5 designee, is authorized, on behalf of the City of Seattle, to acquire real property commonly
6 known as: 3656 34th Avenue South and 3640 35th Avenue South for a purchase price not to
7 exceed \$650,000. The legal description of the real property (referred to hereafter as the
8 "Property") is as follows:

9 *Lots 11 and 12, Block 44, C.D. Hillman's Rainier Boulevard Garden Addition, according to*
10 *the plat thereof recorded in Volume 12 of Plats, page 65, in King County, Washington;*
(otherwise known as 3656 34th Avenue South) and;

11 *Lots 9 and 10, C.D. Hillman's Rainier Boulevard Garden Addition, according to the plat*
12 *thereof recorded in Volume 12 of Plats, page 65, in King County, Washington; (otherwise*
13 *known as 3640 35th Avenue South).*

14 Section 2. The Superintendent of Parks and Recreation, or his designee, is authorized
15 to execute such documents as he deems necessary or desirable to accomplish acquisition of the
16 Property consistent with this ordinance. Upon delivery of the deeds for the Property, the
17 Superintendent or his designee is authorized to accept the deeds on behalf of the City by
18 attaching to the deeds his written acceptance thereof, and to record the same. The Property shall
19 be accepted for open space, park, and recreation purposes, and placed under the jurisdiction of
20 the Department of Parks and Recreation.

21 Section 3. To pay for the Property and for necessary related costs and expenses, the
22 appropriation for the following in the 2011 Adopted Budget is increased from the fund shown, as
23 follows:
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Fund	Department	Capital Improvement Program: Program (Number)	Amount
2008 Parks Levy Fund (33860)	Parks and Recreation	2008 Parks Levy – Neighborhood Park Acquisition (K720010)	\$870,000

Section 4. Any acts consistent with the authority and prior to the effective date of this ordinance are hereby ratified and confirmed.



1 Section 5. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by a three-fourths (3/4) vote of all the members of the City Council the ____
5 day of _____, 2011, and signed by me in open session in authentication
6 of its passage this
7 ____ day of _____, 2011.

8
9 _____
10 President _____ of the City Council

11
12 Approved by me this ____ day of _____, 2011.

13
14 _____
15 Michael McGinn, Mayor

16
17 Filed by me this ____ day of _____, 2011.

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19 _____
20 Monica Martinez Simmons, City Clerk

21 (Seal)



FISCAL NOTE FOR CAPITAL PROJECTS ONLY

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Parks and Recreation	Donald Harris/684-8018	Amy Williams/233-2651

Legislation Title: AN ORDINANCE relating to the Department of Parks and Recreation; authorizing the acquisition of real property commonly known as 3656 34th Avenue South and 3640 35th Avenue South; authorizing acceptance and recording of deeds for open space, park, and recreation purposes; and increasing appropriations to the Department of Parks and Recreation in the 2011 Budget; all by a three-fourths vote of the City Council.

Summary and background of the Legislation:

On November 4, 2008, Seattle voters approved a six-year property tax levy, the 2008 Parks and Green Spaces Levy (Levy), for the purpose of improving and expanding the City's parks and green spaces. The attached proposed Council Bill authorizes the Department of Parks and Recreation (DPR) to acquire two properties, one improved with a residential structure and one vacant, totaling approximately 13,267 square feet. The legislation allows for the acceptance of the deeds to the subject property for open space, park, and recreation purposes.

The properties are located at 3656 34th Avenue South and 3640 35th Avenue South, north of South Charlestown Street, in the North Rainier Hub Urban Village. This acquisition will fill an identified open space gap in the North Rainier Hub Urban Village, and will help satisfy the goal to provide parks within walking distances for residents in and around urban villages. This is a key planning goal included in both the Seattle's Parks and Recreation 2006 Development Plan and Seattle's 2006 Open Space Gap Report Update. The properties will not be developed until additional funding is available for that purpose, but in the interim they will require some level of maintenance leading to increased operating costs. The Department has sufficient funding in 2012 to cover these new facility costs, but will not have sufficient funding beginning in 2013 based on the number of other Levy projects planned to be completed over the next two years.

Both properties have soil contamination. DPR has both reviewed existing environmental reports and conducted new soil testing to determine the type and extent of contamination on the sites. Typically, either the seller will remediate the property prior to closing in order to receive the full purchase price, or the purchase price will be reduced by the buyer's estimated cost of the cleanup. With the latter option, the buyer remediates the property after closing. In this case, there are two properties with two different owners, and the remediation (removal of contaminated fill material on both properties and removal of a residential heating oil tank) is expected to be straightforward. There is an economy of scale associated with the City remediating both properties rather than the sellers separately arranging for remediation. The expected



result, therefore, is that the City will benefit by controlling the remediation, and the sellers will likely benefit by lower remediation costs.

Project Name:	Project I.D.:	Project Location:	Start Date:	End Date:
North Rainier Hub Urban Village Acquisition	K7330064-1 and K7330064-2	3640 35 th Ave S and 3656 34 th Ave S, respectively	October 2010	December 2011

Please check any of the following that apply:

_____ **This legislation creates, funds, or anticipates a new CIP Project.**

(Please note whether the current CIP is being amended through this legislation, or provide the Ordinance or Council Bill number of the separate legislation that has amended/is amending the CIP.)

_____ **This legislation does not have any financial implications**

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This legislation has financial implications. (Please complete all relevant sections that follow.)

Appropriations:

Fund Name and Number	Department	Budget Control Level*	Existing 2010 Appropriation	New 2011 Appropriation (if any)	2012 Anticipated Appropriation
2008 Parks Levy Fund (33860)	Parks and Recreation	K720010	\$30,000	\$870,000	\$0
TOTAL			\$30,000	\$870,000	\$0

Appropriations Notes:

Spending Plan and Future Appropriations for Capital Projects:

Spending Plan and Budget	2011	2012	2013	2014	2015	2016	Total
Spending Plan	\$706,052	173,009	\$0	\$0	\$0	\$0	\$879,061
Current Year Appropriation	\$870,000	\$0	\$0	\$0	\$0	\$0	\$870,000
Future Appropriations	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Spending Plan and Budget Notes: The current budget for this project is \$900,000 (\$30,000 appropriated in 2010, and \$20,939 expended in 2010), which includes a purchase price not to exceed \$650,000 (inclusive of estimated costs of environmental remediation of both properties), with an additional \$250,000 for administrative time, title insurance and closing costs, environmental remediation contingency, survey, demolition of an existing house, etc.



Funding Source:

Funding Source (Fund Name and Number, if applicable)	2011	2012	2013	2014	2015	2016	Total
2008 Parks Levy Fund (33860)	\$870,000	\$0	\$0	\$0	\$0	\$0	\$870,000
TOTAL	\$870,000	\$0	\$0	\$0	\$0	\$0	\$870,000

Funding Source Notes: The project budget is \$900,000, of which \$30,000 was appropriated in 2010.

Bond Financing Required: N/A

Type	Amount	Assumed Interest Rate	Term	Timing	Expected Annual Debt Service/Payment
N/A	N/A	N/A	N/A	N/A	N/A
TOTAL	N/A	N/A	N/A	N/A	N/A

Bond Notes:

Uses and Sources for Operation and Maintenance Costs for the Project:

O&M	2011	2012	2013	2014	2015	2016	Total
Uses							
Start Up							
On-going	\$4,855	\$8,646	\$8,818	\$8,995	\$9,175	\$9,358	\$49,847
Sources (itemize)							
Parks & Recreation Fund (10200)	\$4,855	\$8,646	\$8,818	\$8,995	\$9,175	\$9,358	\$49,847
Total	\$4,855	\$8,646	\$8,818	\$8,995	\$9,175	\$9,358	\$49,847

Operation and Maintenance (O&M) Notes: The new facility O&M estimates listed above reflect the costs to care for the parcel in its current condition (undeveloped). When the property is developed as a park, additional O&M funding may be requested. The maintenance work for the undeveloped property will include extensive litter and trash pickup (due to the proximity to Safeway and fast food restaurants), removal of illegally-dumped materials, removal and control of invasive weeds, graffiti removal, and water service testing. A house is on -site and will be removed when the property is acquired. The O&M numbers listed above assume a 2% inflation rate in each successive year. The Department has sufficient funding in 2012 to cover these new facility costs. However, beginning in 2013, the Department will not have sufficient funding to cover all of the new Levy projects coming online over the two years, including this acquisition project.



Periodic Major Maintenance Costs for the Project: N/A

Major Maintenance Item	Frequency	Cost	Likely Funding Source
TOTAL	N/A	N/A	N/A

Funding sources for replacement of project: As real property, this acquisition will not be subject to replacement.

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact: N/A

Position Title and Department*	Position # for Existing Positions	Fund Name & #	PT/FT	2011 Positions	2011 FTE	2012 Positions **	2012 FTE **
TOTAL	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Position Notes:

Do positions sunset in the future? N/A

What is the financial cost of not implementing the legislation?

If this property is not acquired, there will be a delay in achieving one of the goals of the Neighborhood Parks Acquisitions category of the 2008 Parks Levy Ordinance, which is acquiring property and expanding open space in the North Rainier Hub Urban Village. This delay and further staff costs to meet this goal with another property would consume additional resources from the 2008 Parks Levy Fund. Additionally, the target site would likely be redeveloped at some point in the future, thereby eliminating its possibility for development as a neighborhood park.

Does this legislation affect any departments besides the originating department? No.

What are the possible alternatives to the legislation that could achieve the same or similar objectives?

The Department could try to find another opportunity like this in the same area, but to do so would require spending additional resources and would delay the goal for park acquisition and development in this underserved area as mentioned in the 2008 Parks Levy. City Council approval is required for authorization to acquire and accept a deed for real property.

Is the legislation subject to public hearing requirements? No.

Other Issues: None.



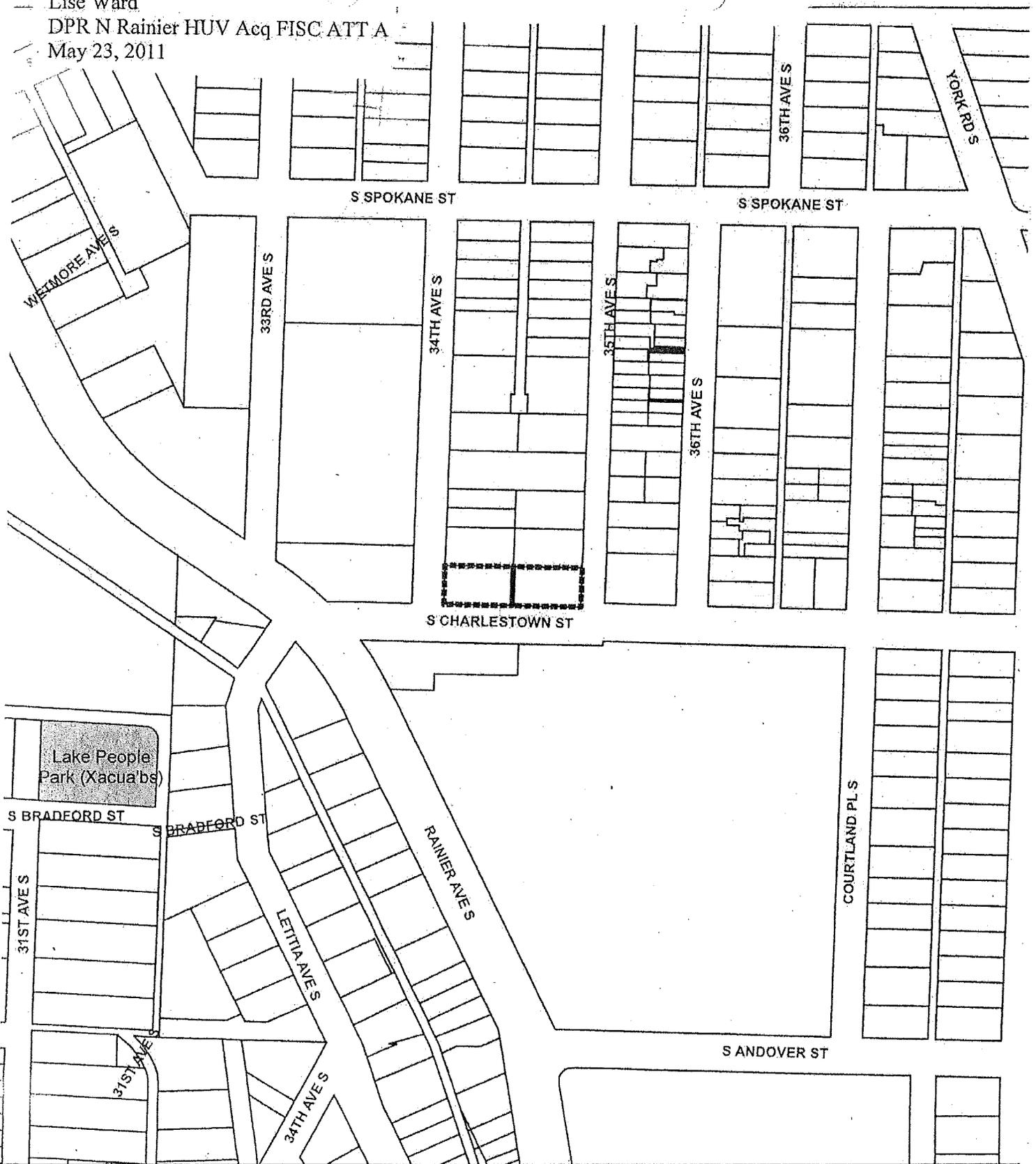
Lise A. Ward
DPR N Rainier HUV Acq FISC
June 7, 2011
Version #2

List attachments to the fiscal note below:

Attachment A: North Rainier Hub Urban Village – Proposed Acquisitions (map)



Lise Ward
 DPR N Rainier HUV Acq FISC ATT A
 May 23, 2011

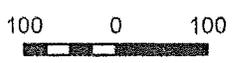


North Rainier Hub Urban Village - Proposed Acquisitions

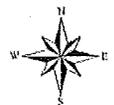


Legend

- Acquisition Parcel
- Park Boundary
- Parcel Boundary



1 inch = 200 feet



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No warranties of any sort, including accuracy, fitness or merchantability accompany this product.

Map date: May 11, 2011

ATT A to DPR N Rainier HUV Acq FISC





City of Seattle
Office of the Mayor

June 21, 2011

Honorable Richard Conlin
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Conlin:

I am transmitting the attached proposed Council Bill that authorizes the acquisition of two properties located at 3656 34th Avenue South and 3640 35th Avenue South, in the North Rainier Hub Urban Village, to be funded by the 2008 Parks and Green Spaces Levy. The properties in this legislation are well-suited for development as a park and will fill an open space gap in the North Rainier Hub Urban Village.

One of the two property owners is Southeast Effective Development (SEED), which has built housing nearby and will be building additional housing north of the proposed park. SEED is supportive of the City purchasing its lot for development of a park. The second property owner is Fannie Mae, which recently acquired the other lot through foreclosure. The Department of Parks and Recreation (DPR) is working with each property owner to reach an agreement.

One issue related to this acquisition is that the properties have some soil contamination related to imported fill from many years ago. DPR has reviewed existing environmental reports and conducted new testing to determine the extent of contamination and to arrive at an acceptable remediation plan, including estimated costs of remediation. It is expected that the purchase prices will be reduced by DPR's estimated costs of the cleanup, and DPR will remediate the property after the acquisition.

The property acquisitions authorized by this legislation will help meet the City's goal of providing parks within walking distance for residents in our urban villages, and will serve the needs of families in the North Rainier Hub Urban Village for many years to come. Thank you for your consideration of this legislation. Should you have questions, please contact Donald Harris at 684-8018.

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

