



1 No. 2, and such agreement provides that the State will assume responsibility for any  
2 liability and damages incurred as a result; and

3 WHEREAS, the fair market value of the subsurface parcel, as determined by an independent  
4 appraisal provided by WSDOT and reviewed by an independent City-contracted  
5 appraiser, is \$107,000, which amount WSDOT has agreed to pay to the City; NOW,  
6 THEREFORE,

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

8 Section 1. The Director of the Department of Finance and Administrative Services  
9 Director or his designee is authorized to execute and deliver a Warranty Deed substantially in the  
10 form attached as "Attachment 3," to transfer the property described in Exhibit A of Attachment 3  
11 to the State of Washington Department of Transportation, in consideration of the payment of  
12 \$107,000. The Director is further authorized to execute and deliver such other documents the  
13 Director deems necessary or desirable to effectuate the conveyance authorized herein.

14 Section 2. Proceeds from the sale of the property shall be deposited into the ~~Unrestricted~~  
15 ~~Subaccount of the Cumulative Reserve Fund (00164) Fire Facility Levy Subfund (379100).~~

16 Section 3. This ordinance shall take effect and be in force 30 days after its approval by  
17 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
18 shall take effect as provided by Seattle Municipal Code Section 1.04.020.  
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Passed by the City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2012, and  
signed by me in open session in authentication of its passage this  
\_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Michael McGinn, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)

Attachment 1: Area Map of the Subsurface Parcel

Attachment 2: Vertical Elevation Map of the Subsurface Parcel

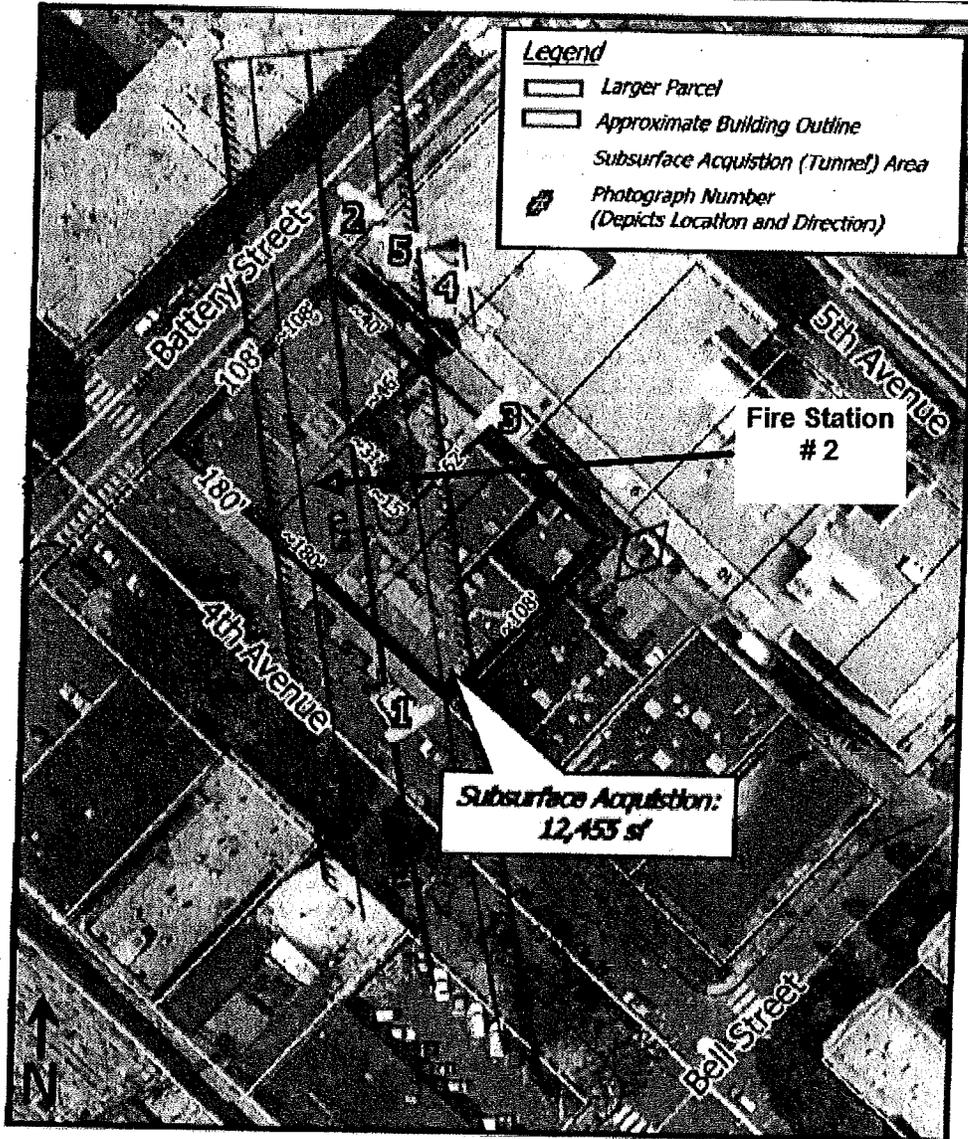
Attachment 3: Warranty Deed between the City of Seattle and the State of Washington

Exhibit A to Attachment 3: Legal Description

Exhibit B to Attachment 3: Covenants, Conditions, Reservations and Restrictions

**SUBJECT PLOT PLAN**

Before Area: 19,440 sf	After Area: 19,440 sf	Fee Acquisition: 12,455 sf (underground)
Permanent Easement Acquisition: 0		Temporary Easement Acquisition: 0
Limited Access/Access Notes: Acquisition is of underground fee interest		



Appraiser: Bates McKee, MAI, CRE

Page 4

Parcel No.: 1-23329  
 May 31, 2011

Source: Appraiser: Bates McKee, MAI, CRE, 5/31/2011

This map is intended for illustrative or informational purposes only and is not intended to modify anything in legislation.



Richard J. Gholaghong  
FAS Fire Station 2 WSDOT Tunnel Purchase ORD ATT 3  
March 27, 2012  
Version # 8

**Document Title: Warranty Deed**  
**Reference Number of Related Document: N/A**  
**Grantor(s): City of Seattle**  
**Grantee(s): State of Washington, Department of Transportation**  
**Legal Description: Ptn. Lots 4-6, Blk. L, Bell's Fifth Add. to the City of Seattle**  
**Additional Legal Description is on Page 4 of Document.**  
**Assessor's Tax Parcel Number: 069600-0160-05**

### WARRANTY DEED

State Route 99, S. King St. to Thomas St.

The Grantor, City of Seattle, a municipal corporation, for and in consideration of the sum of ONE HUNDRED SEVEN THOUSAND AND NO/100 (\$107,000.00) Dollars, and other valuable consideration, hereby conveys and warrants to the **State of Washington, acting by and through its Department of Transportation**, Grantee, the following described real property situated in King County, in the State of Washington, under the imminent threat of the Grantee's exercise of its rights of Eminent Domain:

For legal description and additional conditions  
See Exhibit A attached hereto and made a part hereof.

The Grantor herein releases the State of Washington, Department of Transportation from any future assessments or charges levied by the Assessor and Treasurer of King County,

Also, the Grantor requests the Assessor and Treasurer of King County to set over to the remainder of the hereinafter described Parcel "X" the lien of all unpaid taxes, if any, affecting the real estate hereby conveyed, as provided by RCW 84.60.070.

It is understood and agreed that delivery of this deed is hereby tendered and that the terms and obligations hereof shall not become binding upon the State of Washington unless and until accepted and approved hereon in writing for the State of Washington, by and through its Department of Transportation, by its authorized agent.



Richard J. Gholaghong  
FAS Fire Station 2 WSDOT Tunnel Purchase ORD ATT 3  
March 27, 2012  
Version # 8

It is agreed by the Grantor for itself, or its/their successors, and/or assigns, and Grantee that Parcel "X" (Grantor's Property) is subject to the covenants, conditions and restrictions as defined herein on Exhibit B.

Date: \_\_\_\_\_, \_\_\_\_\_

CITY OF SEATTLE,  
a municipal corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Accepted and Approved

STATE OF WASHINGTON

Department of Transportation

By: \_\_\_\_\_

James M. Salter, Mega Projects Real  
Estate Services Manager

Date: \_\_\_\_\_



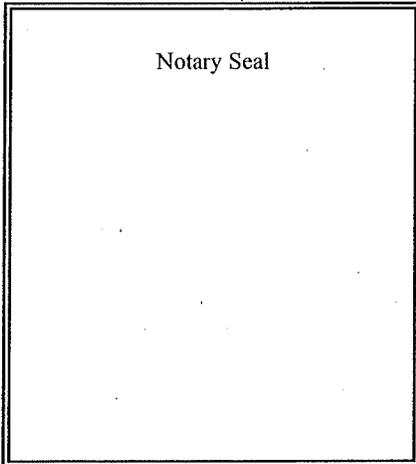
STATE OF WASHINGTON )

: ss.

County of King )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, before me personally appeared \_\_\_\_\_ and \_\_\_\_\_, to me known to be the duly elected and qualified Mayor and City Commissioner of the City of Seattle, Washington who executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of said City, for the uses and purposes therein mentioned, and each on oath stated that they were authorized to execute said instrument.

GIVEN under my hand and official seal the day and year last above written.



Notary Seal

\_\_\_\_\_  
Notary (print name) \_\_\_\_\_

Notary Public in and for the State of Washington,  
residing at \_\_\_\_\_

My Appointment expires \_\_\_\_\_



## EXHIBIT A

A Subsurface Parcel of land, lying within the hereinafter described Parcel "X", being eighty-four (84) feet wide, lying forty-two (42) feet on each side, when measured at right angles, from the following described line:

Beginning at a point on Highway Engineers Station (hereinafter referred to as HES) 668+00 on the SR 99 line survey of SR 99, S. King St. to Thomas St., thence northwesterly to HES 672+00 on said line survey and the terminus of said line;

All lying between two inclined planes, based on NAVD 88 Vertical Elevation Datum, described as follows:

An upper plane beginning at HES 661+25 at elevation 22.30 feet on said line survey; thence to HES 671+63.34 at elevation 59.68 feet on said line survey, and

A lower plane beginning at HES 661+25 at elevation minus 139.70 feet on said line survey; thence to HES 671+63.34 at elevation minus 102.32 feet on said line survey.

### Parcel "X" (Grantor's Property)

Lots 4, 5 and 6, Block L, Bell's Fifth Addition to the City of Seattle, according to the plat thereof recorded in Volume 1 of Plats, page 191, records of King County, Washington;

EXCEPT the southwesterly 12 feet thereof condemned in King County Superior Court Cause No. 52280 for widening of 4<sup>th</sup> Avenue, as provided under Ordinance No. 13776 of the City of Seattle.

The lands herein described contain an area of 12,455 square feet, more or less, the specific details concerning all of which are to be found on sheets 7 and 9 of that certain plan entitled SR 99, S. King St. to Thomas St., now of record and on file in the office of the Secretary of Transportation at Olympia, and bearing date of approval November 9, 2011.



**EXHIBIT B**

Covenants, Conditions, Reservations and Restrictions. It is the intent of the parties that the following provisions shall run with the land and be binding upon all successors and assigns of each party, unless released in writing.

Parcel "X" (Grantor's Remaining Property) shall be subject to the following:

The load from any fill placed above 128 feet NAVD 88 Vertical Elevation Datum, plus any load from property improvements, shall not exceed 7,000 pounds per square foot, as measured at the upper plane elevation of the Subsurface Parcel, as described in Exhibit A. The total load is calculated to include dead loads and live loads.

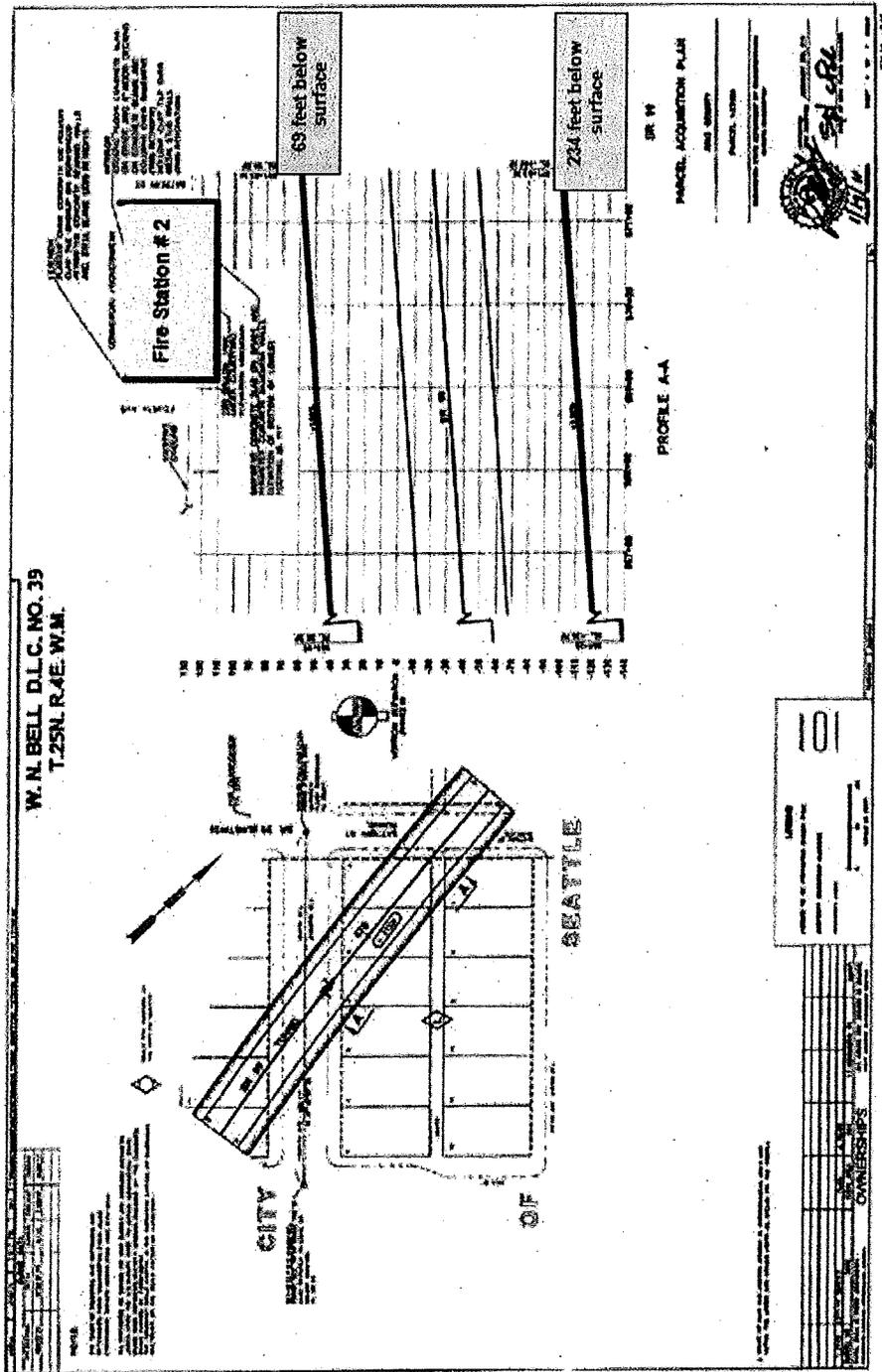
The load reduction resulting from removal of soil below 128 feet NAVD 88 Vertical Elevation Datum, may be credited towards an equal increase in permissible load above 7,000 pounds per square foot, as measured at the upper plane of the Subsurface Parcel, as described in Exhibit A.

Not fewer than ninety (90) calendar days prior to Grantor's or its successors' and/or assigns' construction of any improvement on Parcel "X" that will cause an increase in load of more than five percent (5%) in any existing vertical load-carrying structural element, notification and plans for the same shall be submitted in writing to the Grantee by Grantor(s), its/their successors and/or assigns, demonstrating compliance with these covenants, conditions, reservations and restrictions and no such construction by Grantor(s) or its/their successors and/or assigns, shall be commenced without Grantee's prior written agreement that the Grantor(s) or its/their successors' and/or assigns proposed construction will comply with these covenants, conditions, reservations and restrictions. Approval by Grantee shall not be unreasonably withheld.

The Grantor(s), its/their successors and/or assigns, shall have no rights of access to, from and between the above described subsurface parcel and the remainder of said Parcel "X" (Grantor's Property).

Grantor's Initials





Appraiser: Bates McKee, MAI, CRE

Page 5

Parcel No: 1-23329  
 May 31, 2011

This map is intended for illustrative or informational purposes only and is not intended to modify anything in legislation.

Source: Appraiser: Bates McKee, MAI, CRE, 5/31/2011

**FISCAL NOTE FOR NON-CAPITAL PROJECTS**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
Finance and Administrative Services (FAS)	Richard Gholaghong / 684-0621	Jennifer Devore / 615-1328

**Legislation Title:**

AN ORDINANCE authorizing the sale of real property consisting of a portion of a subsurface property beneath Fire Station No. 2, legally described as Lots 4, 5 and 6, Block L, Bell's Fifth Addition to the City of Seattle, located at 2320 4<sup>th</sup> Avenue, to the State of Washington for highway purposes.

**Summary of the Legislation:**

This Ordinance authorizes the Director of Finance and Administrative Services (FAS) to sell a subsurface parcel beneath Fire Station No. 2, located at 2320 4<sup>th</sup> Avenue, to the State of Washington Department of Transportation (WSDOT) to accommodate the new tunnel alignment for State Route 99 (SR 99). WSDOT will pay the City the appraised value of the subsurface parcel (\$107,000), and the FAS Director is authorized to execute all documents required for the completion of the transaction.

**Background:**

The Alaskan Way Viaduct and the Battery Street Tunnel are being replaced with a new deep bore tunnel stretching from King Street on the south of downtown to Thomas Street on the north. In addition to replacing the seismically-challenged viaduct, the tunnel will facilitate the unimpeded movement of goods and services through downtown Seattle and enhance the ability of mass transportation to expeditiously transport passengers. Implementation, design, and construction of SR 99 falls under the purview of WSDOT as stated in the Memorandum of Agreement for the Alaskan Way Viaduct and Seawall replacement Program Bored Tunnel Alternative, authorized by Ordinance 123133. Voter approval of Referendum 1 in 2011 allowed the City Council to move forward with agreements that protect the City's best interests.

Construction of the tunnel requires a contiguous chain of subsurface parcels. The alignment of the tunnel shifts southeast from the current configuration of the Battery Street Tunnel at 4<sup>th</sup> Avenue, adjacent to Fire Station No. 2. The new alignment runs directly beneath a portion of the fire station. WSDOT therefore must acquire a subsurface parcel from the City of Seattle to complete the tunnel project. The State, under threat of eminent domain, has made an offer of \$107,000 for the subsurface parcel, based on the fair market value as determined by an appraisal. The subsurface box shaped parcel to be acquired is at a depth of between approximately 69 feet to 234 feet below ground (see Attachment 1 to the Ordinance), The subsurface horizontal area is approximately 12,455 square feet with a volume of approximately 2,055,075 cubic feet (see Attachment 2 to the Ordinance).



The land for Fire Station No. 2 was purchased in 1919, with General Fund monies authorized by Ordinance 40015. The station is currently the oldest operating fire station in the city. It was designated as a Seattle landmark in 1985. Ordinance 113089 imposes controls and incentives to protect the exterior of the building from alteration. More recently, the Fire Facilities and Emergency Response Levy Program funded station improvements consisting of seismic upgrades and an interior remodel, including, but not limited to, added emergency storage and an occupational health center.

FAS has completed its due diligence, reviewing environmental issues and structural concerns, as well as ordering an independent review of the appraisal provided by WSDOT. FAS concludes, based on information provided by WSDOT, that this transaction is not expected to impact the structural integrity of Fire Station No. 2, and that this transaction will not impede the public safety operations of Fire Station No. 2 during or after tunnel construction. A Right of Entry Agreement has been fully executed to allow the State to conduct a pre-construction analysis and monitoring of the property prior to drilling in 2012 or 2013 to determine the structural impact on drilling beneath Fire Station No. 2 and has agreed to assume responsibility for any liability and damages incurred as a result of tunnel construction.

The independent appraiser hired by WSDOT appraised the value of the subsurface parcel at \$107,000. FAS selected the appraisal firm North Coast Realty Advisors to review the appraisal on behalf of the City. North Coast Realty Advisors concurred with the State's appraisal.

Please check one of the following:

This legislation does not have any financial implications.

This legislation has financial implications.

(If the legislation has direct fiscal impacts (e.g., appropriations, revenue, positions), fill out the relevant sections below. If the financial implications are indirect or longer-term, describe them in narrative in the "Other Implications" Section. Please delete the instructions provided in parentheses at the end of each title and question.)

**Appropriations:** N/A

**Appropriations Notes:** There are no new appropriations associated with this legislation. Appropriations for the revenue will be made through future legislation.

**Anticipated Revenue/Reimbursement Resulting from this Legislation:**

Fund Name and Number	Department	Revenue Source	2012 Revenue	2013 Revenue
Unrestricted Subaccount of the Cumulative Reserve Fund (00164)	FAS	Net proceeds from the sale of land beneath Fire Station No. 2	\$107,000	0
<b>TOTAL</b>			<b>\$107,000</b>	<b>0</b>



Revenue/Reimbursement Notes: The revenue estimate is based on an appraisal of the subsurface parcel of land beneath Fire Station No. 2 and is a one-time payment from WSDOT.

Funds to acquire the property were originally appropriated from the General Fund Account. Based on SMC 5.80.030, sales of surplus City property net sales proceeds are to be deposited into the Unrestricted Subaccount of the Cumulative Reserve Fund.

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

**Spending/Cash Flow:** N/A

**Other Implications:**

**a) Does the legislation have indirect financial implications, or long-term implications?**

Yes. The subsurface parcel will be sold to the State, to be held in fee ownership. Full development potential of the site may be limited to a lower load capacity thereafter.

**b) What is the financial cost of not implementing the legislation?**

Condemnation proceedings initiated by the State and associated legal costs of a protracted court case.

**c) Does this legislation affect any departments besides the originating department?**

Yes -- the Seattle Fire Department and the Seattle Department of Transportation. Construction of the tunnel requires boring beneath Fire Station No 2. Monitoring equipment will be placed at the fire station (at the expense of WSDOT) to determine if tunneling activity has caused damage. Pre-construction survey work and installation of the monitoring devices is expected to take from four to 16 hours over one to several days. Construction of the tunnel project is expected to be finished by 2014.

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

None known.

**e) Is a public hearing required for this legislation?**

No

**f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No.

**g) Does this legislation affect a piece of property?**

Yes.

**h) Other Issues:**

None known



Richard J. Gholaghong  
FAS Fire Station No. 2 WSDOT Tunnel Purchase FISC  
March 27, 2012  
Version # 9

**List attachments to the fiscal note below:**  
N/A





City of Seattle  
Office of the Mayor

April 9, 2012

Honorable Sally J. Clark  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Clark:

I am transmitting the attached proposed Council Bill, which authorizes the Director of Finance and Administrative Services (FAS) to sell a subsurface parcel beneath Fire Station No. 2 to the State of Washington Department of Transportation (WSDOT) to accommodate the new tunnel alignment for State Route 99 (SR99). The new alignment cuts underneath a portion of the station requiring WSDOT to acquire a subsurface parcel from the City of Seattle to complete the tunnel project.

After completing its due diligence, reviewing environmental issues and structural concerns, FAS concluded based on information provided by WSDOT that this transaction is not expected to impact the structural integrity, nor impede the public safety operations, of Fire Station No. 2 during or after tunnel construction. A Right of Entry Agreement has been fully executed, which allows the State to conduct a pre-drilling survey /analysis and monitor the property before, during, and after construction. The State has agreed to assume responsibility for any liability and damages incurred as a result of the tunnel construction. An independent appraiser hired by WSDOT appraised the value of the subsurface parcel at \$107,000. FAS hired an independent appraisal firm to review WSDOT's appraisal on the City's behalf and they concurred with the valuation.

Thank you for your consideration of this legislation. Should you have any questions, please contact FAS Real Property Agent Richard Gholaghong 206-684-0621.

Sincerely,

Michael McGinn  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor  
Office of the Mayor  
600 Fourth Avenue, 7<sup>th</sup> Floor  
PO Box 94749  
Seattle, WA 98124-4749

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