Mary Davis
SCL Nature's Ridge Part Esmt Rel ORD
February 21, 2013
Version #1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL 117739

AN ORDINANCE relating to the City Light Department, declaring as surplus and authorizing the Superintendent or his designee to release a portion of a patrol road easement located in Snohomish County, Washington, within the right of way for the Bothell Substation to Creston Nelson Substation transmission corridor, accepting payment for the true and full value of the easement release from SHHC LLC dba D. R. Horton, and ratifying and confirming certain prior acts.

WHEREAS, The City of Seattle has a recorded easement for a patrol road in Section 16, Township 27 North, Range 5 East, W.M., Snohomish County, Washington, affecting Snohomish County Tax Parcel Numbers 2705160020200 and 2705160020010, being a portion of the Bothell Substation to Creston Nelson Substation transmission corridor in Snohomish County, Washington; and

WHEREAS, SHHC LLC dba D.R. Horton (SHHC) owns land encumbered by a portion of the patrol road easement, and requests that the west 75 feet of said patrol road easement be released to facilitate the subdivision of its 19.654 acre property into 72 single family residential lots; and

WHEREAS, the westernmost 75 feet of said patrol road easement is no longer required or useful for City Light Department purposes, and the Superintendent of City Light has recommended the requested partial release of said easement; and

WHEREAS, SHHC has entered into a Purchase and Sale Agreement with the City of Seattle, whereby subject to approval by the Seattle City Council, SHHC will pay The City of Seattle the fair market value for the requested easement release, in the amount of $520,000; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Pursuant to the provisions of R.C.W. 35.94.040 and after public hearing, certain real property rights acquired for an electrical transmission corridor are no longer needed by The City of Seattle for providing continued public utility service or other municipal purpose,

over, through, and upon the following described property (The "Partial Release of Easement Area"), and are declared surplus to City needs:

The Partial Release of Easement Area:

The West 75 feet of the East 230 feet of the NE 1/4 of the NW 1/4 of Section 16, Township 27 North, Range 5 East, W.M.;
Less county road;
Less the North 489 feet of the East 891.03 feet thereof;
Situated in Snohomish County, State of Washington.

Section 2. The Superintendent of the City Light Department, or his designee, is authorized to execute for and on behalf of The City of Seattle, the "Partial Release of Patrol Road Easement," substantially in the form attached hereto as Attachment 1.

Section 3. The City Light Department is authorized to accept payment for the partial release of easement from SHHC, LLC, dba D.R. Horton, in the amount of $520,000, and to deposit the proceeds in the City Light Fund.

Section 4. Any act consistent with the authority of this ordinance taken prior to its effective date is hereby ratified and confirmed.

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

Passed by the City Council the ____ day of _____, 2013, and signed by me in open session in authentication of its passage this_____ day of _____, 2013.

_____

President _____of the City Council

Approved by me this ____ day of _____, 2013.

_____

Michael McGinn, Mayor

Filed by me this ____ day of _____, 2013.

_____

Monica Martinez Simmons, City Clerk

(Seal)

Attachment 1: Partial Release of Patrol Road Easement

Attachment 1 Partial Release of Patrol Road Easement

Seattle City Light
Real Estate Services
700 Fifth Avenue, 30th Floor
P.O. Box 34023
Seattle, WA 98124-4023

Release of Easement
Snohomish County Assessor's Nos. 2705160020200 and 2705160020010

PARTIAL RELEASE OF EASEMENT
(Seattle City Light P.M. #270516-2-001)

The CITY OF SEATTLE, a municipal corporation of the State of Washington, acting by and through its CITY LIGHT DEPARTMENT ("Grantor"), hereby grants to SHHI LLC, a Delaware Limited Liability Company dba D.R. Horton ("Grantee"), a partial release from that certain patrol road easement dated January 10, 1950, and recorded under Recording No. 940389 in Snohomish County, Washington, lying within that property legally described as follows:

Partial Release of Easement Area:

The West 75 feet of the East 230 feet of the NE 1/4 of the NW 1/4 of Section 16, Township 27 North, Range 5 East, W.M.;
Less county road;
Less the North 489 feet of the East 891.03 feet thereof;
situated in Snohomish County, State of Washington.

COVENANT REGARDING ENVIRONMENTAL CONDITIONS

The Partial Release of Easement Area ("Property") described herein is conveyed AS-IS, WHERE-IS, WITH-ALL-FAULTS, AND WITHOUT ANY REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AS TO ITS CONDITION, ENVIRONMENTAL OR OTHERWISE, OR ITS SUITABILITY OR SUFFICIENCY

FOR THE GRANTEE'S INTENDED USES AND PURPOSES. Grantee acknowledges that adverse physical, economic or other conditions (including without limitation, adverse environmental soils and ground-water conditions), either latent or patent, may exist on the Property and assumes Grantor's responsibility for all environmental conditions of the Property, known or unknown, including but not limited to responsibility, if any, for investigation, removal or remediation actions relating to the presence, release or threatened release of any Hazardous Substance or other environmental contamination relating to the Property. Grantee also releases and shall indemnify, defend, and hold Grantor and its past, present and future officials, employees, and agents, harmless from and against any and all claims, demands, penalties, fees, damages, losses, expenses (including but not limited to regulatory agencies, attorneys, contractors and consultants' fees and costs), and liabilities arising out of, or in any way connected with, the condition of the Property including but not limited to any alleged or actual past, present or future presence, release or threatened release of any Hazardous Substance in, on, under or emanating from the Property, or any portion thereof or improvement thereon, from any cause whatsoever; it being intended that Grantee shall so indemnify Grantor and such personnel without regard to any fault or responsibility of Grantor or Grantee. The obligation to complete all environmental investigation, removal or remediation of the Property and the acknowledgement, release and indemnification touch and concern the Property, restrict the use of the Property, constitute an assessment against the Property and are intended to run with the land and bind Grantee and Grantee's heirs, successors and assigns, and inure to the benefit of Grantor and its successors and assigns.

For purposes of this COVENANT, the term "Hazardous Substance" shall mean petroleum products and compounds containing them; flammable materials; radioactive materials; polychlorinated biphenyls ("PCBs") and compounds containing them; asbestos or asbestos-containing materials in any friable form; underground or above-ground storage tanks; or any substance or material that is now or hereafter becomes regulated under any federal, state, or local statute, ordinance, rule, regulation, or other law relating to environmental protection, contamination or cleanup.

Grantee's release shall include both claims by Grantee against Grantor and cross-claims against Grantor by Grantee based upon claims made against Grantee by any and all third parties. The obligation to indemnify and defend shall include, but not be limited to, any liability of Grantor to any and all federal, state or local regulatory agencies or other persons or entities for remedial action costs and natural resources damages claims. The obligation to complete all environmental investigation, removal or remediation of the

Property and the acknowledgement, release and indemnification touch and concern the Property, restrict the use of the Property, constitute an assessment against the Property and are intended to run with the land and bind Grantee and Grantee's heirs, successors and assigns, and inure to the benefit of Grantor and its successors and assigns. This release means that Grantee accepts the Property "as-is, where-is and with-all-faults," and that Grantee assumes all responsibility of Grantor to investigate, remove and remediate any environmental conditions on the Property and has no recourse against Grantor or any of its officers, employees or agents for any claim or liability with respect to the Property.

Grantor shall have the right to defend itself and seek from Grantee recovery of any damages, liabilities, settlement awards and defense costs and expenses incurred by Grantor if Grantee does not accept unconditionally Grantor's tender to Grantee of the duty to investigate, remove and/or remediate environmental conditions on the Property and/or defend and indemnify Grantor against any such claim, suit, demand, penalty, fee, damages, losses, cost or expense. This Covenant shall apply regardless of whether or not Grantee is culpable, negligent or in violation of any law, ordinance, rule or regulation. This Covenant is not intended, nor shall it, release, discharge or affect any rights or causes of action that Grantor or Grantee may have against any other person or entity, except as otherwise expressly stated herein, and each of the parties reserves all such rights including, but not limited to, claims for contribution or cost recovery relating to any Hazardous Substance in, on, under or emanating from the Property.

This instrument is given by the CITY OF SEATTLE for the purpose of abandoning the west 75 feet of the patrol road easement aforesaid and releasing its rights thereto to Grantee.

IN WITNESS WHEREOF, the CITY OF SEATTLE has caused this instrument to be executed pursuant to Ordinance _____ on this _____ day of _____, 2013.

CITY OF SEATTLE
SEATTLE CITY LIGHT

By: _____

Name: _____

Title: _____

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ signed this instrument, on oath stated that _____ was authorized to execute this instrument and acknowledged it as the _____ of the City Light Department of the City of Seattle, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Date _____

_____

NOTARY PUBLIC in and for the
State of Washington, residing at

_____

My Commission Expires:_____

(Seal)

Form revised: December 12, 2012

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone-:
Seattle City Light	Lynn Best 386-4586	Cameron Keyes 684-8048

Legislation Title:

AN ORDINANCE relating to the City Light Department, declaring as surplus and authorizing the Superintendent or his designee to release a portion of a patrol road easement located in Snohomish County, Washington, within the right of way for the Bothell Substation to Creston Nelson Substation transmission corridor, accepting payment for the true and full value of the easement release from SHHC LLC dba D. R. Horton, and ratifying and confirming certain prior acts.

Summary of the Legislation:

This legislation authorizes Seattle City Light to grant a partial release of a patrol road easement to SHHC, LLC, dba D. R. Horton, to allow construction of the Nature's Ridge housing development in unincorporated Snohomish County, and accepts payment for the true and full value of the easement.

Background:

This legislation will declare as surplus and authorize the sale of a utility property right under the jurisdiction of Seattle City Light. **A public hearing is required pursuant to RCW 35.94.040.**

The City of Seattle has a 155 foot-wide electrical transmission easement which is part of the Bothell to Creston-Nelson transmission corridor, approximately 5 miles north of Woodinville. A 230 foot wide patrol road easement overlays and extends 75 feet west of a portion of the City's transmission line easement.

SHHC, LLC (SHHC), is the fee owner of the underlying land. SHHC has obtained preliminary approval from Snohomish County for the Nature's Ridge housing development, consisting of 72 single family residential lots. SHHC requests release of the west 75 feet of the City's patrol road easement in order to accommodate this development.

The City has never used the west 75 feet of the patrol road easement, has no plans for the area, and the area is not required for maintenance, operation, or future development of the City's transmission line easement. Seattle City Light recommends the release of the west 75 feet of the patrol line easement to the developer in return for payment of fair market value.

184th Street SE crosses the City's transmission line easement at the south end of the patrol road easement. The developer's plans will also require City Light to provide consent to Snohomish County for construction of a connection street from 184th Street SE, across a portion of the City's transmission line easement, to the Nature's Ridge development. This consent does not require City Council action.

The fair market value of the easement right to be conveyed to SHHC is $520,000, as determined by appraisal. The property owner has agreed to pay City Light that amount for partial release of the easement.

__X__ This legislation has financial implications.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Department	Revenue Source	2013 Revenue	2014 Revenue
Light Fund 41000	**City Light**	SHHC, LLC, dba D. R. Horton	$520,000	
TOTAL			**$520,000**	

Revenue/Reimbursement Notes:

Release of easement to be paid for by SHHC, LLC, dba D. R. Horton.

Other Implications:

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

No.

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

The City would forego immediate payment of $520,000 for the partial release of easement.

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

No.

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

None.

e) Is a public hearing required for this legislation?

Yes. A public hearing is required under RCW 35.94.040. These hearings are usually conducted at the start of a regularly scheduled City Council Energy and Environment Committee meeting.

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, a map is attached.

h) Other Issues:

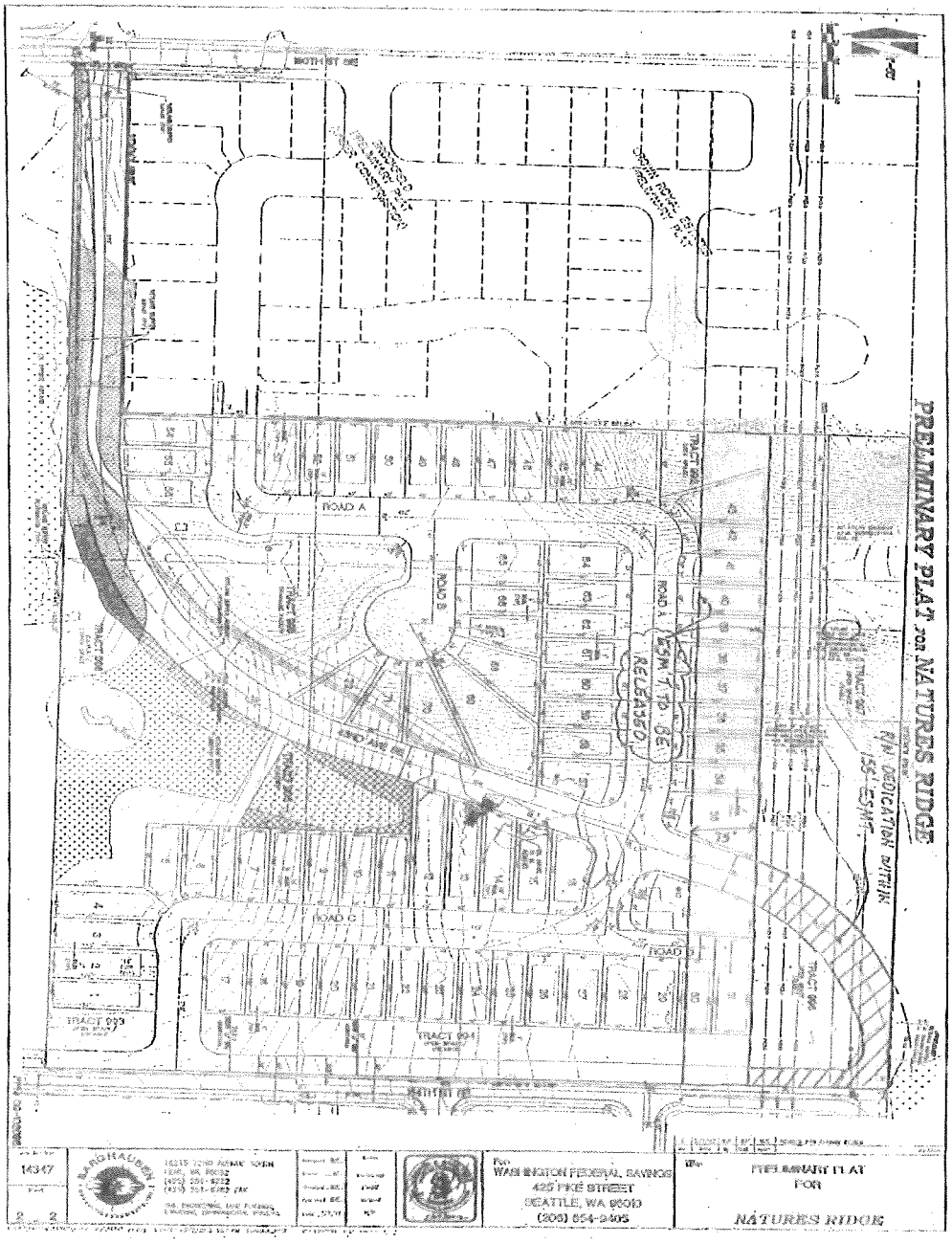
None.

List attachments to the fiscal note below:

Exhibit 1- Map of Patrol Road Easement Area to be Released

Mary Davis
SCL Nature's Ridge Part Esmt Rel FISC EXH 1
February 22, 2013
Version #1

Exhibit 1
Map of Patrol Road Easement Area to be Released



Also showing connection to 184th Street SE, to be granted to Snohomish County by consent.

City of Seattle
Office of the Mayor

March 5, 2013

Honorable Sally J. Clark
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Clark:

I am pleased to transmit the attached proposed Council Bill that will authorize Seattle City Light to release a portion of a patrol road easement in unincorporated Snohomish County to developer SHHC, LLC, dba D. R. Horton (SHHC). The released area of this easement will be used as part of the developer's 72-unit, Nature's Ridge housing development. The developer has agreed to pay City Light $520,000 for this release.

This portion of the patrol road easement is not being used City Light. The remaining 155-foot wide transmission line easement is fully adequate for the maintenance and operation and any future development of City Light's Bothell to Creston-Nelson transmission line.

The release of this patrol road easement will allow SHHC to complete their Nature's Ridge housing development, and will provide welcome revenue to City Light. Thank you for your consideration of this legislation. Should you have questions, please contact James Baggs at 684-3260.

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor
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Seattle, WA 98124-4749

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