

PRELIMINARY REPORT
EVALUATION OF REUSE AND DISPOSAL OPTIONS FOR
PMA 24

City of Seattle Resolution 29799 directs that the Executive is to make its recommendations on the reuse or disposal of excess property on a case by case basis, using *the Procedures for Evaluation of the Reuse and Disposal of the City's Real Property* adopted by that resolution. Additionally, the Resolution identifies guidelines, which are to be considered in making a recommendation. This report addresses each of the guidelines outlined in Resolution 29799 in support of the recommendation. This report also follows those provisions of Resolution 30862, adopted May 1, 2006, that amended Resolution 29799.

Property Management Area: **PMA 24 – S. Andover Street**

BACKGROUND INFORMATION

Legal Description: S 50 FT OF N 320.10 FT OF S 330.10 FT OF W 190 FT OF E 200 FT OF SE 1/4 OF SE 1/4 OF NE 1/4 of Section 16, Township 24 N, Range 04 E., W.M.

Physical Description and Related Factors: PMA 24 – S. Andover Street - consists of a single tax parcel, King County Assessor Property Identification No. 1624049206. The subject property is located at the NE corner of the intersection of 31st Ave. S. and S. Andover Street, south of and adjacent to the residence located at 3922 31st Ave. S. in Seattle. The subject property is rectangular in shape and consists of a total area of approximately 9,500 square feet. A road and a sewer easement cross the property connecting 31st Ave. S. and S. Lexington Place. The existing road across the parcel was never dedicated. The neighborhood is relatively quiet and consists of single family homes on smaller lots. A recorded survey of the subject property dated 10/16/2008 is attached to the end of this report. (KC Recording # 200810230003) The survey was completed at the request of FFD and the property was divided into three logical segments: Parcel A is the developable portion of the property north of the road, Parcel B is the road and Parcel C is south of the road.

GUIDELINE A: CONSISTENCY

The analysis should consider the purpose for which the property was originally acquired, funding sources used to acquire the property, terms and conditions of original acquisition, the title or deed conveying the property, or any other contract or instrument by which the City is bound or to which the property is subject, and City, state or federal ordinances, statues and regulations.

PMA# 24 was originally acquired under the authority of Ordinance # 81971 in 1953 for an air raid siren that has subsequently been removed. The ordinance further provided that when the property was no longer needed for the purposes of an air raid siren, it was to be retained for general municipal purposes. No extraordinary ordinances, laws or regulations that apply to this property have been identified.

GUIDELINE B: COMPATIBILITY AND SUITABILITY

The recommendation should reflect an assessment of the potential for use of the property in support of adopted Neighborhood Plans; as or in support of low-income housing and/or affordable housing; in support of economic development; for park or open space; in support of Sound Transit Link Light Rail

station area development; as or in support of child care facilities, and in support of other priorities reflected in adopted City policies.

Context:

The subject property is a single family residential lot with a road and a dedicated side sewer easement across a portion of the lot. The subject property is near but outside both the North Rainier Hub Urban Village and the Columbia City Residential Urban Village, so there are no adopted Neighborhood Plans that apply to the subject property. No City of Seattle Department or Agency has identified priorities reflected in adopted Seattle policies that could be served by this particular property. There are no other Seattle owned properties adjacent to the subject property. The nearest city owned property is Lake People Park (Xacua'bs), controlled by the Department of Parks and Recreation, located 300 feet to the north of the subject property.

Range of Options:

The options for disposition of this parcel include retention by the City of Seattle for a public purpose, long-term ground lease, negotiated sale with an adjacent owner, negotiated sale with a motivated purchaser, or sale by public bid.

An Excess Property Notice for this property was circulated in May, 2008 to assess City of Seattle department and public entity interest in use of the property. FFD/RES received Excess Property Response Forms indicating no interest from the following Departments/Public Agencies: King County Metro, Seattle Police Dept., Seattle Public Utilities, Seattle Department of Neighborhoods, Seattle Human Services Dept., and the Seattle Dept. of Parks and Recreation.

SDOT has determined that jurisdiction of the land being used as a road and the area south of the road should be transferred to SDOT. No City of Seattle department has identified any overriding or necessary current or future use for the portion of the subject property not encumbered by road. Given the lack of an identified current or future Seattle municipal use, long-term lease or retention of the property is not in Seattle's best interests.

GUIDELINE C: OTHER FACTORS

The recommendation should consider the highest and best use of the property, compatibility of the proposed use with the physical characteristics of the property and with surrounding uses, timing and term of the proposed use, appropriateness of the consideration to be received, unique attributes that make the property hard to replace, potential for consolidation with adjacent public property to accomplish future goals and objectives, conditions in the real estate market, and known environmental factors that may affect the value of the property.

Highest and Best Use:

The subject property is zoned Residential, Single Family 5,000 (SF 5,000) and is intended for single family development. The highest and best use of the subject property is single family residential or other uses allowed by the Seattle Municipal Code.

Compatibility with the physical characteristics:

The subject property not covered by the road is covered with grass, shrubs and blackberry bushes. The property slopes gently and generally uphill from 31st Ave S. to the east before it drops off precipitously. There is a very small area of steep slope as defined by the Seattle Municipal Code near the south western corner. This area may be found on the survey dated 10/16/2008 attached to the end of this

report. The highest elevation on the subject property is near where the road across the parcel crosses the southern boundary and joins Lexington Place S. There is an elevation difference of approximately 11 vertical feet across the length from west to east with an overall slope of approximately 5%. Development of this property will be challenging because of the existence of the road, sewer, size and the topography of the property.

Compatibility with surrounding uses:

The subject property is in the Rainier Valley area of the City that was developed many years ago and is experiencing some recent re-development. A recent townhome development has occurred west and south of the subject property, but the development north, south and east appears to have been established for some time. The subject parcel is undeveloped, except for the road and side sewer, as are some of the privately owned parcels in the vicinity. Most parcels in the vicinity are smaller but parcels to the north are a similar size and a few parcels in the vicinity are larger. Single family residential is the exclusive land use in the vicinity.

Timing and Term of Proposed Use:

The Seattle Department of Transportation (SDOT) has agreed to take jurisdiction of the road (PARCEL B) and the 1,089 square foot area south of the road (PARCEL C). Once the transfer of Parcels B & C to SDOT is completed, the balance of the property (PARCEL A) may be sold either by negotiation or by public bid. While no specific use is recommended for the balance of the property (PARCEL A) it is believed to be developable on its own. The side sewer easement across PARCEL A would continue as an exception from the conveyance of PARCEL A in perpetuity. Any development of the subject property would be subject to approval by the City of Seattle Department of Planning and Development.

Appropriateness of the consideration:

Once the transfer of Parcels B & C to SDOT is completed, the balance of the property (PARCEL A) may be sold either by negotiation or by public bid to the highest successful bidder in accordance with procedures as approved by the City Council. Legislation would authorize the Real Estate Services Division of Seattle City Fleets and Facilities Department to negotiate a sale to an adjacent property owner or accept the highest competitive offer above a minimum bid threshold. The King County Assessor's 2009 assessed value of the parcel is \$1,000.00. An independent appraisal was conducted on November 10, 2008 which concluded the fair market value of the PARCEL A portion of the subject property is \$180,000.00.

Unique Attributes: PMA 24 is unique in that it is a single family sized lot, never platted with an existing, undedicated road, with a side sewer easement cutting across the parcel

Potential for Consolidation with adjacent public property:

There are no other publicly owned properties that are immediately adjacent to the subject property.

Conditions in the real estate market: Although the Seattle area real estate market has not been hit as hard as the national market, declines were seen in all ranges of the local market over the past year. Seattle home prices were down 15% for the year ending January 2009. Prices were down 19.7% from July 2007. There is some optimism in that the number of pending sales increased from 1,611 in February 2009 to 2,058 in March in King County, a 28% jump. This is significantly stronger than last year's jump – only 10% from February to March 2008.

Statistics from the Northwest Multiple Listing Service for the period April 2008 – April 2009 indicate that sales of undeveloped land remain comparatively strong. For a pool of 69 closed transactions of

raw land, 43.5% of those sales were on the market for 30 days, and another 23.2% less between 31-60 days. The average selling price for these listings was 90% of listing price. The remaining 33% of sales were on the market for 61-120 days, and the average selling price ranged from 81.6% to 90.9% of listing price. Thus, although the tight credit market has created uncertainties for developers, the scarcity of appropriately priced development lots and land is likely to keep property values on undeveloped land strong over the long run.

Known environmental factors:

A review of property files and a drive-by inspection of the property have been conducted. There is no evidence to suggest that further environmental assessments or investigations are warranted at this time.

GUIDELINE D: SALE

The recommendation should evaluate the potential for selling the property to non-City public entities and to members of the general public.

No non-city public entity has expressed any interest in the subject property. The neighbor to the north has expressed interest in PARCEL A. The neighbor's intention is to subdivide his own parcel which appears to necessitate obtaining an easement for ingress and egress across the subject property or acquisition of the subject property. Seemingly, the only feasible access to the rear of the neighbor's parcel is across the subject property. The neighbor to the north may either purchase the subject property or choose to negotiate an easement for ingress and egress with a future owner. The recorded survey dated 10/16/2008 indicates that the neighbor to the north encroaches on the NW corner of the subject parcel with a cement parking pad. The neighbors to the south and east also encroach onto the subject parcel. If the neighbor to the north fails to commit to the purchase of PARCEL A, the sale may be by competitive bid to a member of the general public.

PUBLIC INVOLVEMENT

In accordance with Resolution Nos. 29799 and 30862, in July 2008, a notice concerning potential disposition or other use of this property was sent to all residences and owners within a 1,000 foot radius of the subject property. A total of 522 notices were mailed. Four (4) responses were received from the public in response to the letter. One of the four responders wanted the road use to continue and the remainder undeveloped unless it can be used for a community garden. (The community garden idea was relayed to the Department of Neighborhoods.) Another responder suggested the road use should continue and be better maintained. The same responder expressed a belief that the lot is undevelopable. The third responder wanted no towers or other pollutants. The fourth and final responder represents the existing property owner to the north of the subject property and stated that the property should be sold to adjacent property owners for a nominal fee. He also asked that the road be maintained.

RECOMMENDATION

As no current or future municipal use has been identified for the City of Seattle to support continued ownership of the non-street portions of PMA 24, the Real Estate Services Division of the Fleets and Facilities Department (FFD) recommends the transfer of PARCELS B and C to SDOT and that the portion of PMA 24 not used for street purposes and not transferred to SDOT (Parcel A on the survey, dated 10/16/2008) be sold in a negotiated sale or disposed through a public competitive bid process, in a manner to be approved by the City Council.

THRESHOLD DETERMINATION

The Disposition Procedures provide that FFD assesses the complexity of the issues on each excess property following the initial round of public involvement. The purpose of this analysis is to structure the extent of additional public input that should be obtained prior to forwarding a recommendation to the City Council. The Property Review Process Determination Form prepared for PMA 24, S. Andover Street is attached at the end of this report. Due to the nature of the property, the limited extent of public comment, its nominal value, and the recommendation to sell, disposition of this property is determined to be a “Simple” transaction.

NEXT STEPS

Following preparation of this Preliminary Report, FFD is required to provide a summary to the Real Estate Oversight Committee (REOC), to all City Departments and Public Agencies that expressed an interest in the Excess Property, and to members of the public who responded to the initial Public Notice. This summary will advise how to obtain a full copy of the report, note that FFD and REOC will consider comments on the Preliminary Report for 30 days after mailing the summary of the Preliminary Report and advise the recipient where and to whom any comments should be addressed. FFD will post one sign visible to the public along the street frontage abutting the Excess Property which provides the same information.

The REOC will forward the Preliminary Report including a report on the public involvement process to the City Council. If the City Council decides to hold a public hearing on the disposal of the excess property, RES will provide a notice of the public hearing at least 14 days prior to the hearing.

PROPERTY REVIEW PROCESS DETERMINATION FORM

Property Name:	PMA 24, S. Andover Street		
Address:	South of and adjacent to 9822 - 31 st Ave. South		
PMA ID:	PMA 24	Subject Parcel #	1624049206
Dept./Dept ID:	FFD	Current Use:	Vacant: Excess
Area (Sq. Ft.):	9,500 sq.ft.	Zoning:	SF 5,000
Est. Value:	\$ 180,000 (Parcel A) \$ 2,000 (Parcels B and C)	Assessed Value:	\$1,000 in 2009, It should be noted that KC Assessed Valuation does not equal fair market value.

PROPOSED USES AND RECOMMENDED USE

<i>Department/Governmental Agencies:</i> SDOT to accept Parcels B and C	<i>Proposed Use:</i> Formal recognition of existing roadway as Right of Way.
<i>Other Parties wishing to acquire:</i> Adjacent property owner to the north.	<i>Proposed Use:</i> To provide access to rear of adjacent lot
RES'S RECOMMENDED USE: Transfer jurisdiction of Parcels B and C to Seattle Dept. of Transportation Sell Parcel A by competitive public bid process to highest bidder.	

PROPERTY REVIEW PROCESS DETERMINATION (circle appropriate response)

1.) Is more than one City dept/Public Agency wishing to acquire?	No/Yes	15
2.) Are there any pending community proposals for Reuse/ Disposal?	No/Yes	15
3.) Have citizens, community groups and/or other interested parties contacted the City regarding any of the proposed options?	No/Yes	15
4.) Will consideration be other than cash?	No/Yes	10
5.) Is Sale or Trade to a private party being recommended?	No/Yes	25
6.) Will the proposed use require changes in zoning/other regulations?	No/Yes	20
7.) Is the estimated Fair Market Value between \$250,000-\$1,000,000?	No/Yes	10
8.) Is the estimated Fair Market Value over \$1,000,000?	No/Yes	45
Total Number of Points Awarded for "Yes" Responses:		40

Property Classification for purposes of Disposal review: Simple Complex (circle one) (a score of 45+ points results in a "Complex" classification)

Signature: Louis Webster, AICP

Department: FFD

Date: May 15, 2009



PMA# 24

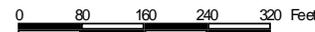
Produced by the City of Seattle
FFD / RES LW

May 7, 2008

Legend

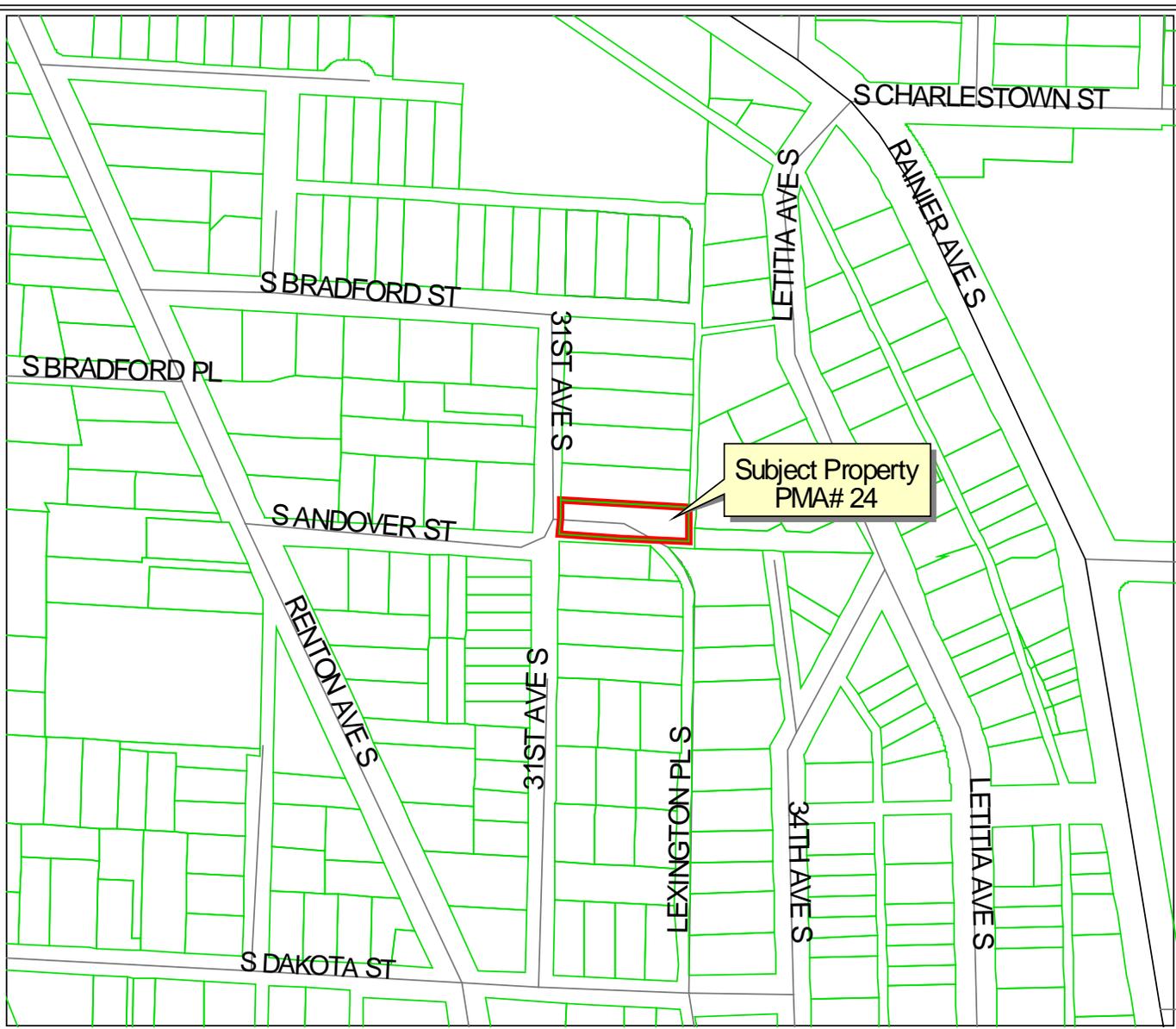
- Tax Parcels
- Subject Property

- Streets
- Residential
 - Arterials



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The City of Seattle



PMA# 24

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FFD RES / LW

May 9, 2008

Legend

-  Tax Parcels
-  Subject Property

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