



CITY OF KIRKLAND

City Attorney's Office

123 Fifth Avenue, Kirkland, WA 98033 425.587.3030

www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Oskar Rey, Assistant City Attorney

Date: November 9, 2012

Subject: Resolution Authorizing Use of Surface Water Funds for Cross Kirkland Corridor Acquisition

RECOMMENDATION:

That the City Council adopts the attached Resolution authorizing the use of City surface water funds for acquisition of the Cross Kirkland Corridor.

BACKGROUND DISCUSSION:

On April 14, 2012, the City acquired the Cross Kirkland Corridor ("CKC") from the Port of Seattle for \$5,000,000. The City utilized \$1,000,000 from the City's Surface Water Utility Fund ("Fund") as a part of the purchase price.

The City's Surface Water Utility received substantial benefits as a result of the acquisition of the CKC. Generally speaking, the CKC divides the City into an upper portion and a lower portion. Prior to acquisition, the City had to obtain permission and pay for the ability to install, maintain and replace surface water facilities on the CKC. In some cases, it was difficult to obtain the necessary permission. Acquisition of the CKC allows the City crews and contractors full access to restore the surface water system and improve conveyance across the CKC.

City staff has calculated that full access to the CKC for the purpose of maintenance and improvement of the City's surface water system is worth significantly more than the \$1,000,000 contribution to the purchase price from the Fund. Had the City been required to obtain easement rights for the existing and anticipated surface water facilities in the CKC, City staff estimates that the easement rights would be valued at over \$3,000,000. The estimate is based on a conservative valuation of five dollars per square foot for the easement area and a ten foot wide easement for the existing or anticipated surface water facilities.

Since the City owns the CKC, it is not necessary or desirable to encumber the CKC with a utility easement for City surface water facilities. The attached Resolution documents the value of the CKC for surface water purposes and allows the City to account for the use of Surface Water Utility Funds for a portion of the CKC purchase price.

RESOLUTION R-4943

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND RELATING TO THE CROSS KIRKLAND CORRIDOR AND THE CITY'S STORMWATER UTILITY, AND AUTHORIZING USE OF THE CROSS KIRKLAND CORRIDOR FOR STORMWATER PURPOSES.

WHEREAS, the City acquired 5.75 miles of the former BNSF rail corridor (now known as the "Cross Kirkland Corridor" and referred to herein as "Corridor") from the Port of Seattle in April 2012 for a purchase price of five million dollars (\$5,000,000); and

WHEREAS, one million dollars (\$1,000,000) of the Corridor purchase price was paid from the City's Surface Water Utility Fund; and

WHEREAS, the Corridor, generally speaking, splits the City into an upper portion and lower portion, and it has been historically difficult for the City to convey surface water from the upper portion to the lower portion; and

WHEREAS, prior to acquisition of the Corridor, the City was unable to utilize the Corridor for surface water infrastructure without obtaining and paying for easements or permits from the former owners of the Corridor; and

WHEREAS, in addition to the many transportation and other public benefits, Corridor ownership will allow the City to utilize the Corridor for public surface water drainage improvements that are not inconsistent with other transportation uses of the Corridor; and

WHEREAS, the City has calculated the value of being able to use the Corridor for storm water conveyance purposes as being in excess of \$3,000,000 based on a valuation of five dollars per square foot for existing or anticipated surface water conveyance facilities (assuming a ten foot wide passage for such facilities); and

WHEREAS, the City would like, through this Resolution, to document and memorialize the fact that use of the Corridor for public surface water and drainage improvements is authorized to the extent not inconsistent with other transportation uses of the Corridor.

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The recitals set forth above are hereby adopted as findings of fact.

Section 2. The Council finds that full access to the Corridor for the purpose of maintenance and improvement of the City's surface water system is worth significantly more than the \$1,000,000 contribution to the purchase price from the Fund.

Section 3. In recognition of the fact that a portion of the Corridor purchase price was paid with Surface Water Utility funds, the City is authorized and encouraged to utilize the Corridor for public surface water drainage improvements that are not inconsistent with existing easements or other transportation uses of the Corridor.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2012.

Signed in authentication thereof this ____ day of _____, 2012.

MAYOR

Attest:

City Clerk