

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Resolution No. 9095 accepting the Governor's Deed, transferring the State of Washington's partial ownership rights in nine tax parcels located within the Mercer Slough Nature Park to the City; 2) accepting the transfer of sponsorships of existing Recreation and Conservation Office (RCO) grants, (No's 73-026A & 78-513A) related to such parcels; 3) authorizing the City to remit \$64,000 to the State, pursuant to RCW 79A.05.170, at such time certain interests in the property (approximately 5,978 square feet) are transferred to Sound Transit; and 4) authorizing execution of the Interagency Cooperative Agreement to dissolve the 1985 Memorandum of Agreement between State Parks and the City relating to operation of Mercer Slough Nature Park.

FISCAL IMPACT

Accepting partial ownership rights from Washington State Parks does not create a fiscal impact. The City operates and maintains Mercer Slough Nature Park without assistance from Washington State Parks, per a 1985 interagency agreement.

Later this year, conveyance of property to Sound Transit will obligate the City to an amount of \$64,000 (appraised value), to be funded by PW-R-181. This represents 50% of the fair market value of the property to be conveyed to Sound Transit later this year in order to fulfill the City's obligation under Section III of the Governors Deed.

STAFF CONTACTS

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Parks & Community Services Department

POLICY CONSIDERATION

Comprehensive Plan: PA-1

Establish a coordinated and connected system of open space and greenways throughout the city that provide multiple benefits including preserving natural systems, protecting wildlife habitat and corridors, and providing land for recreation.

Parks and Open Space System Plan

Steward and protect a coordinated system of public open spaces that preserves the city's natural character, sustains its urban forest resources, and enhances its natural systems, wildlife habitat and wildlife corridors as a legacy for future generations.

BACKGROUND

In 1985, the City and State entered into an Interagency Cooperative Agreement (1985 Agreement) for "Mercer Slough", Bellevue City Clerk File No. 10336. A portion of the Mercer Slough was acquired with funds from the State of Washington Recreation and Conservation Office (RCO), and a Project Contract for "Mercer Slough Phase 1 Acquisition", and Mercer Slough II were executed. A Deed of Right to Use Land for public recreational purposes was also executed.

The 1985 Agreement called for the City to solely administer (operate and maintain) the park as a part of the City's public park system.

Since then, Bellevue has provided ongoing maintenance and stewardship of the Mercer Slough in accordance with the 1985 Agreement with no financial assistance from Washington State Parks.

A segment of the East Link project will impact approximately 5,978 square feet of a parcel that is jointly owned by State Parks and the City. The need to transfer property rights for the East Link project triggered a discussion between the two agencies about using this opportunity to transfer all State Parks property rights to the City since State Parks no longer has an active interest in jointly operating the park.

The Washington State Parks and Recreation Commission held a regular commission meeting, open to the public, in May 2014. Agenda Item E-3: Mercer Slough Property – Transfer to the City of Bellevue was considered. The agenda item asked the Washington State Parks & Recreation Commission to dissolve the Agreement between State Parks and the City of Bellevue relating to operation of the Mercer Slough Nature Park and to authorize the transfer of Commission ownership interest in Mercer Slough Nature Park to the City of Bellevue. This item was approved unanimously as requested.

Governors Deed

The State transfers property via a Governors Deed (the "Deed"), which shall convey and quit claim the State's rights pursuant to the provisions of RCW 79A.05.170, and subject to the following terms and conditions:

- I. City covenants to continuously use and maintain the property for public outdoor recreation, natural resource conservation and historical and cultural resource preservation purposes, unless otherwise described within the Deed.
- II. In the event City breaches the covenants contained in Condition I, the ownership interest of the Property conveyed, shall upon demand, revert to State, unless otherwise agreed by State.
- III. If City proposes a use or disposal of property for purposes other than public outdoor recreation, natural resource conservation, or historical and cultural resource preservation, City may request a release of the deed restriction. If Grantor determines that Property is still surplus to the needs of the state for park purposes and if Grantor approves the request for release of the deed restriction, Grantor will issue a release of the deed restriction upon payment to Grantor of half the fair market value of the deed release as provided under RCW 79A.05.170(2).

The Deed contemplates the transfer of land to Central Puget Sound Regional Transit Authority [Sound Transit]. At such time the City transfers the property, and upon the State's receipt of half the fair market value of the reversionary interest in that portion of the property, the State shall release the deed restriction in Sections I, II and III on said Reversion Property as provided under RCW 79A.05.170(2).

Conveyance of land for light rail purposes is contemplated later this year, whereby the City has acquired the Moon/Ross property to meet the requirements of RCO Grant 73-026A & 78-513A. The appraisal of the property that would be transferred to Sound Transit, indicates the fair market value to be \$128,000. 50% of the fair market value is \$64,000, which is the amount that would be remitted from the City to the State at such time as the property is transferred to Sound Transit.

State Recreation and Conservation Office Grants

The City and State are party to existing Recreation and Conservation Office (RCO) grants. These provided funds to acquire land for Mercer Slough. Upon execution of the Deed, the City will assume full sponsorship of all RCO grants, which includes a Deed of Right to use Land for public recreation purposes.

Interagency Cooperative Agreement Mercer Slough

The State and City are party to the 1985 Agreement. Upon execution of the Deed, the 1985 Agreement will be relinquished, whereby City will be solely responsible for the management of the park as outlined above. This Council action will authorize execution of a new Interagency Cooperative Agreement (attached) that dissolves the 1985 Interagency Cooperative Agreement.

EFFECTIVE DATE

If adopted by Council, this Resolution will become effective immediately.

OPTIONS

1. Adopt the Resolution 1) accepting the Governor's Deed, transferring the State's partial ownership rights to the City relating to certain properties located within the Mercer Slough Nature Park; 2) accepting the transfer of sponsorships of existing Recreation and Conservation Office (RCO) grants, (No's 73-026A & 78-513A); 3) authorizing the City to remit \$64,000 to the State of Washington at such time property is transferred to Sound Transit; and 4) authorizing execution of an Interagency Cooperative Agreement to dissolve the 1985 Memorandum of Agreement between State Parks and the City relating to operation of Mercer Slough Nature Park.
2. Do not adopt the Resolution and provide alternative direction to staff.

RECOMMENDATION

Option 1.

MOTION

Move to adopt Resolution No. 9095 1) accepting the Governor's Deed, transferring the State of Washington's partial ownership rights in nine tax parcels located within the Mercer Slough Nature Park to the City; 2) accepting the transfer of sponsorships of existing Recreation and Conservation Office (RCO) grants, (No's 73-026A & 78-513A) related to such parcels; 3) authorizing the City to remit \$64,000 to the State, pursuant to RCW 79A.05.170, at such time certain interests in the property (approximately 5,978 square feet) are transferred to Sound Transit; and 4) authorizing execution of the Interagency Cooperative Agreement to dissolve the 1985 Memorandum of Agreement between State Parks and the City relating to operation of Mercer Slough Nature Park.

ATTACHMENTS

1. Interagency Cooperative Agreement to dissolve the 1985 Memorandum of Agreement
2. Proposed Resolution No. 9095

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

1. Governor's Deed
2. RCW 79A.05.170