

CITY COUNCIL REGULAR SESSION

Resolution authorizing execution of an amendment to the Professional Services Agreement with Pacifica Law Group, LLP, outside counsel for the City, in the amount of \$115,000, plus all applicable taxes, for legal services related to the claim for relocation benefits brought by the former tenant of the property located at 1445 120th Avenue NE which was acquired for both Sound Transit East Link and City transportation projects.

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City Attorney's Office

Ira McDaniel, Real Property Division Manager, 452-4182
Department of Finance and Asset Management

EXECUTIVE SUMMARY

This Resolution is necessary to fund the existing contract for legal services through an appeal to the Hearing Examiner which is scheduled in November 2020.

RECOMMENDATION

Move to adopt Resolution No. 9825

BACKGROUND/ANALYSIS

In 2013, the City initiated eminent domain proceedings to acquire the property located at 1445 120th Avenue NE for both Sound Transit East Link and City projects. As part of this acquisition, the commercial tenant of the building had to be relocated and was entitled to relocation benefits. The former tenant rejected and appealed the City's determination of its entitlement to relocation benefits. The former tenant's appeal is set for hearing before the Hearing Examiner in November 2020.

A Professional Services Agreement was originally executed with the Pacifica Law Group LLC in 2013 to assist in the acquisition of the property located at 1445 120th Avenue NE. The work grew to include the property owner's challenge to the eminent domain proceedings through the Washington Supreme Court, the relocation of the former tenant, and the processing of the former tenant's claim for relocation benefits. The agreement has been amended five times to \$545,000 to cover the acquisition of the necessary property rights to the property and to address the relocation of the former tenant. This sixth amendment in the amount of \$115,000 is necessary to cover legal services through the upcoming relocation claim appeal hearing.

POLICY & FISCAL IMPACTS**Policy Impact**

City policy provides that professional services contracts in excess of \$90,000 require Council approval.

Fiscal Impact

This action obligates the City to increase the total contract for legal services provided by the Pacifica Law Group LLC by \$115,000, plus applicable taxes, to provide legal services through the upcoming relocation claim appeal hearing by the former tenant of the property located at 1445 120th Avenue NE which was acquired for both Sound Transit East Link and City transportation projects. Sufficient funding exists within the 2019-2025 CIP through the East Link MOU Commitments project (CIP Plan No. PW-R-181) to fully fund this contract.

| Professional Services Agreement with Pacifica Law Group | |
|--|------------------|
| Authorized Contract (No. 1350258) | \$49,000 |
| Amendment No. 1 | 251,000 |
| Amendment No. 2 | 115,000 |
| Amendment No. 3 | - |
| Amendment No. 4 | - |
| Amendment No. 5 | 130,000 |
| Amendment No. 6 | 115,000 |
| New Contract Total Amount | \$660,000 |

OPTIONS

1. Adopt the Resolution authorizing execution of an amendment to the Professional Services Agreement with Pacifica Law Group, LLP, outside counsel for the City, in the amount of \$115,000, plus all applicable taxes, for legal services related to the claim for relocation benefits brought by the former tenant of the property located at 1445 120th Avenue NE which was acquired for both Sound Transit East Link and City transportation projects.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENT

Proposed Resolution No. 9825

AVAILABLE IN COUNCIL LIBRARY

Amendment No. 6 to the Professional Services Agreement