



MEETING OF THE BOARD OF COMMISSIONERS

HYBRID MEETING

Thursday, January 5, 2023

Zoom Meeting:

[https://kcha-
org.zoom.us/j/88662219444?pwd=L1QvZUVQV2tmWkJ
ESkxwQTZ6WmpRZz09](https://kcha-org.zoom.us/j/88662219444?pwd=L1QvZUVQV2tmWkJESkxwQTZ6WmpRZz09)

Meeting ID: 886 6221 9444

Passcode: 514040

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King County Housing Authority
700 Andover Park West
Tukwila, WA 98188



SPECIAL HYBRID MEETING OF THE BOARD OF COMMISSIONERS

AGENDA

January 5, 2023 - 3:30 p.m.

King County Housing Authority - West Wing Conference Room
600 Andover Park West, Tukwila, WA 98188

I. Call to Order

II. Roll Call

III. Public Comment

IV. Approval of Agenda

V. Resolutions for Discussion

A. Resolution No. 5743 – A Resolution Authorizing Acquisition of Cell Tower Interests to Facilitate Redevelopment of a TOD property in Issaquah.

VI. Commissioner Comments

VII. Adjournment

Members of the public who wish to give public comment: We are now accepting public comment during the meeting or written comments. Please send your requests for public comment to the Board Coordinator via email to kamir@kcha.org prior to the meeting date. If you have questions, please call 206-574-1206.



To: Board of Commissioners

From: Dan Landes, Director of Development

Date: January 5, 2023

Re: Resolution No. 5743: A Resolution Authorizing Acquisition of Cell Tower Interests to Facilitate Redevelopment of a TOD Property in Issaquah

In November 2016, the City of Issaquah released an RFP for qualified developers to build a mixed-use, mixed-income Transit Oriented Development on a site adjacent to the Issaquah Transit Center. The site, owned by Qwest Corporation dba Lumen Technologies, is located at 1505 Newport Way NW in Issaquah and was used as an operations hub (the “TOD Property”). A development team, comprised of King County Housing Authority and other partners, was selected by the City to proceed with the development. Given the length of time and the challenges it has taken to bring this transaction to fruition, the other partners have found it necessary to withdraw from the deal, however, KCHA has found it necessary to continue with this development to ensure the availability of affordable housing adjacent to the public transit site.

On March 15, 2021, June 21, 2021 and October 10, 2022, the Board of Commissioners approved Resolution Nos. 5678, 5694 and 5733, respectively, authorizing the Executive Director to execute all documents necessary to complete the acquisition of the property in order to redevelop it into transit-oriented residential development. Several resolutions were needed as the deal structure evolved over time.

The most recent resolution authorized KCHA to close the purchase of the TOD Property from Lumen for \$14 million. It was originally anticipated that Lumen would be able to work with the cell tower operator on-site, to relinquish its interest in the property as part of the sale. Unfortunately, for a number of reasons, the cell tower operator was unable and/or unwilling to do so. In early December, Lumen notified KCHA that if the sale did not occur by the end of December, it was going to terminate any further negotiations and enter into purchase negotiations with another developer who has expressed on-going interest in the site and purportedly agreed to pay Lumen more than the sale price negotiated with KCHA.

In order to close on the property by the end of December, KCHA acquired the property from Lumen, with the cell tower operator still operating and present on the site. However, to redevelop

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the site, KCHA will need to have the cell tower operator relocate its operations to another location in Issaquah that meets the needs of the current cell company carriers who have antennae mounted to the monopole tower. KCHA believes the total cost to relocate the cell tower operator (including its carriers) to another site will be equal to or less than \$800,000 and the cell tower operator could reasonably relocate to an alternative site within 12 to 24 months.

In order for KCHA to proceed with the redevelopment of the site, it is necessary for KCHA to have clean title to the site and to be able to demolish all existing structures on the site including the monopole cell tower. For this reason, KCHA finds it necessary to take formal action to require the cell tower operator to cease operations at the site and relocate to an alternative location. Resolution No. 5743 authorizes the Executive Director to acquire the Tower Lease Interests by condemnation through exercise of the Housing Authority's power of eminent domain, if it is unsuccessful in acquiring the Tower Lease Interests on satisfactory terms through negotiation with and purchase from the owner in lieu of condemnation.

All of the prior resolutions related to the TOD Property remain in effect.

Staff recommends approval of Resolution No. 5743.

THE HOUSING AUTHORITY OF THE COUNTY OF KING

RESOLUTION NO. 5743

A RESOLUTION AUTHORIZING ACQUISITION OF CELL TOWER INTERESTS TO FACILITATE REDEVELOPMENT OF THE TOD PROPERTY IN ISSAQUAH

WHEREAS, the acquisition and planned redevelopment of transit oriented housing are part of the Housing Authority’s strategic priority to acquire and develop housing along planned mass transit corridors and areas with frequent high-capacity transit to ensure the long-term availability of low-income housing near reliable public transportation; and

WHEREAS, Resolutions 5678, 5694, and 5732 (the “Prior Resolutions”) authorized the Executive Director of the Housing Authority, to, among other things, acquire and develop property located at 1505 Newport Way NW, Issaquah, Washington (the “TOD Property”) and to finalize agreements and other arrangements in connection therewith, pursuant to the Housing Authority’s determination that acquisition of TOD Property is necessary to provide low-income housing near reliable public transportation; and

WHEREAS, the Housing Authority completed its purchase of the TOD Property; and

WHEREAS, there is located on the TOD Property a cell tower and related equipment (collectively the “Tower”), which are owned and operated by Vertical Bridge S3 Assets, LLC or its affiliate (“Vertical Bridge”), pursuant to one or more preexisting written agreements (collectively the “Tower Lease”), which Tower and operations were not removed from the TOD Property as a condition of the Housing Authority’s purchase of the TOD Property; and

WHEREAS, removal of the Tower from the TOD Property is necessary to facilitate the redevelopment of the TOD Property; and

WHEREAS, the City of Issaquah has identified a location in Tibbetts Valley Park, which the City believes to be a suitable replacement location for the Tower operations, and pursuant to

Agenda Bill 8495, the City has resolved to make such location available for lease by Vertical Bridge to facilitate the removal of the Tower from the TOD Property; and

WHEREAS, the costs to replace or relocate the Tower from the TOD Property to the Tibbetts Valley Park site are projected to be \$800,000 or less; and

WHEREAS, RCW 35.82.070(5) and RCW 35.82.110 authorize a housing authority to acquire real property by exercise of the power of eminent domain or by purchase in lieu of exercise of the power of eminent domain;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE COUNTY OF KING, as follows:

Section 1: Acquisition of all rights allowing the Tower and its operations to remain on the TOD Property including under the Tower Lease (collectively “Tower Lease Interests”), is necessary to provide housing for persons of low income that is equitably distributed in various areas of King County and particularly in areas of rising rents, planned mass transit corridors and high housing costs.

Section 2: The Board of Commissioners hereby authorizes the Executive Director (i) to give notice to Vertical Bridge of the Housing Authority’s intention to acquire the Tower Lease Interests by eminent domain if it is unsuccessful in acquiring the Tower Lease Interests on satisfactory terms through negotiation and purchase in lieu of condemnation; and (ii) to acquire the Tower Lease Interests by condemnation through exercise of the Housing Authority’s power of eminent domain, if it is unsuccessful in acquiring the Tower Lease Interests on satisfactory terms through negotiation with and purchase from the owner in lieu of condemnation.

Section 3: The Executive Director is hereby vested with the authority, and with discretion in the exercise of such authority, to take any and all actions necessary to acquire the Tower Lease Interests, and in connection therewith to pay to the parties entitled thereto the costs of removal or

relocation of the Tower operations off of the TOD Property, up to a maximum reimbursement amount of Eight Hundred Thousand Dollars (\$800,000).

Section 4: The Board of Commissioners hereby authorizes the Executive Director, Robin Walls, and in her absence, Daniel R. Watson, the Advisor to the Executive Director, or Deputy Executive Director & Chief Administrative Officer Saeed Hajarizadeh, to execute on behalf of the Housing Authority any and all contracts, agreements, certifications or other documents in connection with the Housing Authority's acquisition of the Tower Lease Interests pursuant to this Resolution.

**ADOPTED AT A SPECIAL MEETING OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE COUNTY OF KING AT AN OPEN PUBLIC
MEETING THIS 5TH DAY OF JANUARY, 2023.**

**THE HOUSING AUTHORITY OF THE
COUNTY OF KING**

DOUGLAS J. BARNES, Chair
Board of Commissioners

Attest:

ROBIN WALLS
Executive Director and Secretary-Treasurer

CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Executive Director and Secretary-Treasurer of the Housing Authority of the County of King (the “Authority”), and keeper of the records of the Authority, CERTIFY:

1. That the attached Resolution No. 5743 (the “Resolution”) is a true and correct copy of the resolution of the Board of Commissioners of the Authority as adopted at a special meeting of the Authority held on January 5, 2023 (the “Meeting”), and duly recorded in the minute books of the Authority;

2. The public was notified of access options for remote participation in the Meeting via the Authority’s website and email to stakeholders; and

3. The Meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of the Meeting was given; that a quorum was present throughout the Meeting through telephonic and/or internet means of remote access, and a majority of the members of the Board of Commissioners of the Authority present at the Meeting voted in the proper manner for the adoption of the Resolution; that all other requirements and proceedings incident to the proper adoption of the Resolution have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this 5th day of January, 2023.

Robin Walls

Secretary-Treasurer and Executive Director of the
Authority