



TO: Mayor and City Council
FROM: William A. Gaines, Director of Utilities/CEO
COPY: Elizabeth Pauli, Interim City Manager, and City Clerk
SUBJECT: Resolution – Set Public Hearing – April 25, 2017
DATE: April 13, 2017

SUMMARY:

To set Tuesday, May 9, 2017, as the date for a Public Hearing regarding the declaration of surplus and negotiated disposition of 1.95 acres of Tacoma Water property for \$50,000.

STRATEGIC POLICY PRIORITY:

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

This request supports the above policy priority by offering the opportunity for public input on this real estate transaction.

BACKGROUND:

The Department of Public Works has requested that Tacoma Water transfer an approximately 1.95 acre parcel of land located near Puyallup Avenue to facilitate the planned replacement of the Puyallup Avenue Bridge. The property was originally acquired in 1999 from Pierce County for the Second Supply Pipeline (P5) project.

Tacoma Water has agreed to transfer this property in exchange for fair market value and subject to a perpetual easement for public utility purposes. This property will subsequently be transferred to the Puyallup Tribe of Indians (“Tribe”) as part of the negotiated agreement, authorized by Council Resolution 39393 in March of 2016, between the City and the Tribe related to additional right-of-way needed for the bridge project

ALTERNATIVES:

The alternatives to declaring the parcel surplus and transferring it to accommodate the bridge replacement are to either retain ownership or to dispose via a bid/sale process. Retaining ownership was not viable as this property was required for the right-of-way project. If Tacoma Water desired to sell this via a bid/sale process, the utility easement encumbrances would cause marketability issues due to the impact on development potential, and the bridge project would be significantly impeded. In transferring this property to Public Works for fair market value with appropriate utility easements identified, Tacoma Public Utilities can continue to use the property as needed for its operations while allowing a major infrastructure project to proceed.

RECOMMENDATION:

Tacoma Water and Real Property Services recommend that the City Council set a Public Hearing in accordance with RCW 35.94.040, to be May 9, 2017 to receive public comment regarding the proposed transfer of approximately 1.95 acres of Tacoma Water real property located in Tacoma.

FISCAL IMPACT:

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: There is no fiscal impact to setting this public hearing.