



**TO:** Mayor and City Council  
**FROM:** William A. Gaines, Director of Utilities/CEO  
**COPY:** T.C. Broadnax, City Manager and City Clerk  
**SUBJECT:** Resolution – Set Public Hearing – October 27, 2015  
**DATE:** October 1, 2015

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**SUMMARY:**

Set Tuesday, November 10, as the date for a Public Hearing in order to proceed with the bid-sale disposition of approximately 0.63 of an acre of surplus land located at 7704 6<sup>th</sup> Avenue in Tacoma, to Mr. David Sizemore for \$35,101.

**STRATEGIC POLICY PRIORITY:**

- Encourage and promote an open, effective, results-oriented organization.

This transaction supports an open, effective, and results-oriented organization by allowing for public input on this real estate transaction.

**BACKGROUND:**

This property is an irregular shaped parcel that has no legal physical access. It was originally acquired by the City's Public Works Department for storm drainage in 1956, prior to Tacoma Water's acquisition in 1959 for a low service reservoir. Tacoma Water never developed this reservoir nor put this property into operational use and, in 2013 an abutting property owner submitted an offer to purchase via the negotiated disposition process for \$22,500.

Tacoma Water accepted that offer and the Public Utility Board approved the sale, as well as the declaration to surplus the property with resolution number U-10664 in October 2013. A public hearing was scheduled for November, 2013 and prior to that hearing other abutting neighbors raised concerns about the negotiated disposition process. It was determined at that time to postpone the hearing and review the proposed process.

Since then, a request for bids was published in the Tacoma Daily Index, on the City's website, and sent to the abutting property owners. One bid was received, from Mr. Sizemore, who was also the potential purchaser in 2013. This bid was for slightly over the appraised value, at \$35,101. The Public Utility Board approved this transaction on October 14, 2015.

**ALTERNATIVES:**

The alternatives to selling this property and using the bid-sale process are to either retain ownership or to dispose via a negotiated disposition process. Tacoma Water does not have a need for the property and does not have legal access rights so retaining ownership will result in continued and unnecessary risk exposure and maintenance costs. Since the property could be used by any of the abutting neighbors, the bid-sale disposition process is the most appropriate.

**RECOMMENDATION:**

Tacoma Water and Real Property Services recommend that the City Council set a public hearing to be held November 3, to receive public comment regarding the proposed sale of approximately 0.63 of an acre in Tacoma.



The Public Hearing will provide a forum for the public to comment on the proposed sale, thereby promoting transparency of governmental actions and the responsible stewardship of City property. Once the Public Hearing has been conducted a separate request will be presented to City Council for the approval of the conveyance of real property from The City of Tacoma to Mr. David Sizemore.

**FISCAL IMPACT:**

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Water Capital Reserve Fund 4600- CAPTL GL6411030	587501		\$35,101
<b>TOTAL</b>			<b>\$35,101</b>

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: 0**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** No. This revenue opportunity developed after Fretoc, LLC approached the City.

**IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.**