



Date: June 1, 2018

To: Linda McCrea, Interim Director of Utilities/CEO

From: Scott Dewhirst, Water Superintendent

Subject: Disposition of Real Property – 8002 Golden Given Road E

Recommendation: Tacoma Water requests that you authorize the sale of its property identified as Pierce County Assessor Tax Parcel No. 9690000301, covering approximately 2.16 acres (or approximately 94,020 SF) located at 8002 Golden Given Road E in unincorporated Pierce County, to Ngoun Chum for \$200,000.

Background: This property was part of Tacoma Water's 2002 acquisition of the South East Tacoma Mutual Water Company ("SET Mutual"). The site has remained vacant since that time. The property is zoned Single Family residential, as part of the Parkland-Spanaway-Midland Communities Plan by Pierce County. As the property was not essential to Tacoma Water's needs, it was declared surplus in 2002. In April 2016 the property was offered for sale via a sealed-bid process. Although it had been advertised with a minimum bid set at the appraised value of \$260,000, no bids were received. The property has been continuously advertised on the City's surplus website, and it was listed with a real estate broker and signage placed on site in January 2017. Although there have been multiple inquiries, no other party made an offer, with uniform feedback that the listing price was too high, due primarily to off-site development costs such as utility extensions and road improvements. The parties have agreed to a consideration to Tacoma Water of \$200,000, which we believe reflects the current fair market value of the property.

Tacoma Water has accepted an offer from Mr. Ngoun Chum for \$200,000. Mr. Chum intends to develop the property with one or more single family residences. The offer is subject to both Public Utility Board and City Council approval and a Public Hearing.

Schedule: Upon approval from the Public Utility Board, Real Property Services will hold a Public Hearing and seek final approval of the transaction from the Tacoma City Council. If approved, the transaction will be completed by August, 2018.

Approved

Linda McCrea
Interim Director of Utilities/CEO