



TO: Elizabeth Pauli, City Manager
FROM: Jackie Flowers, Director of Utilities
COPIES: City Council and City Clerk
SUBJECT: Resolution – Declaration of Surplus and Sale of Tacoma Power Real Property – City Council Agenda for March 30, 2021
DATE: February 25, 2021

SUMMARY AND PURPOSE:

This memorandum provides information for the proposed sale of Tacoma Power property consisting of approximately 4,225 SF of land, together with certain landscaping improvements, identified as a portion of Pierce County Assessor Tax Parcel No. 0418162058, to Pierce County for \$17,450.00. Pursuant to Resolution No. U-11241 adopted February 24, 2021, the Public Utility Board requests the City Council declare surplus and authorize this real property sale. As this is a right-of-way acquisition, it is not subject to the tribal and intergovernmental offer provisions outlined in the City’s surplus policies.

BACKGROUND:

[Click or tap here to enter text.](#) The property is in a suburban location in central unincorporated Pierce County near Graham and is improved with Tacoma Power’s Graham Substation. As part of its County Road Project No. 5819, Pierce County is improving and widening 224th Street East, the property’s frontage road. This right-of-way project will require the fee acquisition of the front 10 feet of the Tacoma Power property (4,225± SF), along with a slope easement in 792± SF adjacent to the roadway, along with certain landscaping improvements. Although no part of the substation within the security fencing is to be acquired, some modifications are required in order to maintain the substation’s operational integrity, including expansion of the fencing and ground grid network, and adjustments to the irrigation system and driveway. Pierce County has agreed to the estimated cost-to-cure provided by Tacoma Power needed to make the necessary changes and this is included in the compensation. Although the fee and slope easement acquisitions require TPU Board approval, the City Council must approve only the fee acquisition and the payment for the loss of the landscaping improvements. The acquisition documents were reviewed by the City Attorney’s Office and approved by Tacoma Power management and Real Property Services, and this surplus disposition was approved by the Public Utility Board via Resolution No. U-11241 adopted February 24, 2021. A Public Hearing was held before City Council on March 23, 2021.

Breakdown of Total Acquisition:

4,225± SF of fee lands @ \$2.00/SF	= \$8,450.00
792± SF of slope easement @ \$0.67/SF	= \$550.00
Landscaping improvements:	= \$9,000.00
Cost-to-Cure:	= <u>\$118,618.05</u>
Total Compensation:	= \$136,618.05

Acquisition for City Council approval:

4,225± SF of fee lands @ \$2.00/SF	= \$8,450.00
Landscaping improvements:	= <u>\$9,000.00</u>
Total:	= \$17,450.00



COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

All abutting property owners were notified of the sale, a public hearing notice was published and the public hearing held as required by state law. No further community engagement efforts were identified and no potential impacts are foreseen to the local community.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

The sale will allow continued development of the local community, which provides housing, educational, employment, and recreational opportunities in line with state-mandated Growth Management policies and Pierce County development regulations. As the sale property lies outside the corporate limits of the City of Tacoma, no Equity Index Scores have been identified.

ALTERNATIVES:

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Retain property.	None.	Costs for maintenance.

EVALUATION AND FOLLOW UP:

This is a one-time sale with no on-going evaluation required.

STAFF/SPONSOR RECOMMENDATION:

The Public Utility Board requests that the City Council declare surplus and authorize the sale of Tacoma Power property consisting of approximately 4,225 SF of land, together with certain landscaping improvements, identified as a portion of Pierce County Assessor Tax Parcel No. 0418162058, to Pierce County for \$17,450.00.

FISCAL IMPACT:

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
GL 6411030	CC 561100	N/A	\$136,618.05
TOTAL			\$136,618.05

Are there financial costs or other impacts of not implementing the legislation?

No

Will the legislation have an ongoing/recurring fiscal impact?

No

Will the legislation change the City's FTE/personnel counts?

No

ATTACHMENTS:

Sale Property Location Map.