




TO: Mayor and City Council
FROM: William A. Gaines, Director of Utilities/CEO 
COPY: T.C. Broadnax, City Manager and City Clerk
SUBJECT: Resolution – Purchase of Residential Real Estate by Tacoma Water – July 26, 2016
DATE: July 13, 2016

SUMMARY:

This memorandum provides information for the proposed purchase of approximately 1.90 acres of improved residential property, from Peggy and Dennis Hoffer for \$409,000. Real Property Services, on behalf of Tacoma Water, is recommending the City Council authorize this real property acquisition.

STRATEGIC POLICY PRIORITY:

- Assure outstanding stewardship of the natural and built environment.

This transaction assures outstanding stewardship of the natural and built environment by allowing for Tacoma Water to own and control a contiguous portion of the Green River located within close proximity to its Headworks and Green River Filtration Facility. Acquisition will also provide land for future expansion or for environmental mitigation as needed to serve our customer's future needs, increase site security, and help maintain Tacoma Water's overall control and stewardship mission within the controlled area of the watershed. Moreover, the property is located very close to the main entrance to the watershed, creating a gateway area for educational and stewardship purposes.

BACKGROUND:

This property has approximately 125' of medium bank waterfront along the Green River and is adjacent to property currently owned by Tacoma Water. It is located just inside the security gate of the watershed, and across the street from the Headworks Office and Green River Filtration Facility.

The property includes a three bedroom log home, a barn, and several outbuildings. The original occupants of the home recently decided to relocate and approached Tacoma Water prior to listing the home with a residential agent. Subsequent negotiations resulted in a purchase price of \$409,000 under terms and conditions that are standard for City real estate acquisitions.

ALTERNATIVES:

The alternative to purchasing this property is to not purchase it, which would result in a subsequent private ownership within the security fence that protects the Green River Filtration Facility, Headworks, and other critical assets. Currently, the majority of property owners within the 150,000 acres of the Green River Watershed are either public entities or forestry companies. This purchase will allow for a continued consistency of use within these boundaries.

RECOMMENDATION:

Tacoma Water and Real Property Services recommend that the City Council authorize this acquisition of approximately 1.90 acre of unimproved property along the Green River within the Green River Watershed, for \$409,000.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
4600-10 WC	WTR-00490-01		\$425,000.00
TOTAL			

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: 0

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes. Funds for watershed property acquisition were budgeted for the 2015-2016 biennium.

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