



TO: Elizabeth Pauli, City Manager
FROM: Jackie Flowers, Director of Utilities
COPY: City Council and City Clerk
SUBJECT: Resolution – Declaration of Surplus and Sale of Tacoma Power Real Property – City Council Consent Agenda for January 5, 2021
DATE: November 25, 2020

SUMMARY AND PURPOSE:

To set Tuesday, January 26, 2021 as the date for a Public Hearing regarding the declaration of surplus and sale of approximately 1.19 acres of Tacoma Power property, identified as a portion of Lewis County Assessor Tax Parcel No. 028327-001-000, to Michael and Cheryl Jensen for \$125,500.00.

BACKGROUND:

[Click or tap here to enter text.](#) The sale property is in a rural location in central unincorporated Lewis County near Mossyrock adjacent to Mayfield Lake and the Kris Kay residential subdivision. It was originally acquired in 1961 by Tacoma Power, who no longer needs to retain ownership of the property as it lies outside of the FERC-regulated boundary and ownership entails additional management time and expense. As required by the Purchase and Sale Agreement, prior to closing of the sale the Buyer obtained approval from Lewis County for a Boundary Line Adjustment (BLA) needed to convey the sale property. The Jensens own an abutting tract in the Kris Kay residential subdivision; however, their site does not have enough room to accommodate a well, an on-site septic system/reserve area, and a house. The addition of the sale property through the Boundary Line Adjustment and sale is intended to allow them to construct a residence on the enlarged property. Real Property Services conducted a negotiated bid/sale process whereby all abutting property owners were given the opportunity to submit bids to purchase the property. The Jensens submitted the highest bid, which we believe adequately represents Fair Market Value, and we entered into negotiations to finalize a Purchase and Sale Agreement with them. The terms and conditions of the Purchase and Sale Agreement 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-11227 adopted December 9, 2020.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

As the sale involves an unimproved tract of land in a rural location in Lewis County, no potential impacts are foreseen. This sale has been vetted by Tacoma Power management.

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 Lewis 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 and liability.

EVALUATION AND FOLLOW UP:

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

STAFF/SPONSOR RECOMMENDATION:

Tacoma Power and Real Property Services recommend that the City Council set January 26, 2021 as the date to hold a Public Hearing for the declaration of surplus and sale of approximately 1.19 acres of Tacoma Power Property to Michael and Cheryl Jensen for \$125,500.00

FISCAL IMPACT:

There is no fiscal impact to setting this Public Hearing.

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.