



TO: Mayor and City Council
FROM: William A. Gaines, Director of Utilities/CEO
COPY: Elizabeth Pauli, City Manager, and City Clerk
SUBJECT: Resolution – Disposition of Tacoma Public Utilities, Light Division Real Property – November 21, 2017
DATE: November 7, 2017

SUMMARY:

This memorandum provides information for the proposed sale of approximately 1,875 SF of surplus land located within the city of Tacoma to Ronald L. and Linda R. Coleman for \$72,100. Real Property Services is requesting the City Council authorize this real property disposition.

STRATEGIC POLICY PRIORITY:

- Assure outstanding stewardship of the natural and built environment.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

This request supports the above policy priorities by returning the property to the tax rolls and offering the opportunity for public input on this real estate transaction.

BACKGROUND:

This vacant property was declared surplus to Tacoma Power’s needs in 2009 by Tacoma Public Utility Board Resolution No. U-10270 and City Council Resolution No. 37730, along with a Director’s Memorandum. Through a negotiated disposition process in 2017, Tacoma Power agreed to sell the property to a neighbor for \$72,100. A restrictive covenant will be included in the deed prohibiting development of the property. The offer is subject to both Public Utility Board and City Council approval. The terms and conditions of the purchase and sale agreement have been approved by Tacoma Power and Real Property Services and reviewed by the City’s Legal Department.

A public hearing on this transaction was held on November 7, 2017. Two members of the public spoke on the matter. As directed by the Mayor, Real Property Services will provide additional information to Council via the City Manager’s report.

ALTERNATIVES:

The alternatives to disposing of the property through the negotiated disposition process, as allowed under TMC 1.06.280f, are to either retain ownership or to dispose via a bid/sale process. Tacoma Power does not have a need for the property, and if it were to retain ownership there would be continued management and administrative costs. The negotiated disposition process was determined to be the most efficient disposition method due to the property’s physical constraints.

RECOMMENDATION:

Tacoma Power and Real Property Services recommend that the City Council authorize this disposition of approximately 1,875 SF of unimproved property to Mr. and Mrs. Coleman. The property will be sold AS-IS for \$72,100 with a restrictive covenant included in the deed prohibiting development of the property.



FISCAL IMPACT:

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
	CC 561100	6411030	\$72,100
TOTAL			\$72,100

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$-0-

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No.