



TO: T.C. Broadnax, City Manager
FROM: Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer /KDK
Justin E. Davis, Division Manager, Facilities Management
Ronda Cornforth, Sr. Real Estate Specialist, Real Property Services
COPY: City Council and City Clerk
SUBJECT: Resolution – Surplus Property Sale of Parcel #022013-112-0 – March 15, 2016
DATE: March 10, 2016

SUMMARY:

Authorizing the Declaration of Surplus and execution of a Quit Claim Deed to convey vacant, undeveloped residential lands at the intersection of South 40th Street and South Tyler Street to Mike and Karen Musica, husband and wife, in the amount of \$67,954.

STRATEGIC POLICY PRIORITY:

- Ensure all Tacoma residents are valued and have access to resources to meet their needs.

Approval of this surplus sale will allow the proposed purchasers, who are also abutting property owners, the ability to merge this parcel with lands already owned for the development of multi-family residential housing. This sale also returns the property to the tax rolls and decreases City maintenance costs.

BACKGROUND:

The City acquired this parcel as well as others in 1981 for the future South 40th Street expansion by Warranty Deed recorded under Auditor’s File Number 8108260145 for a purchase price of \$60,000. The City’s intent for development and expansion of this roadway has not been viable and currently has no plans, or use, for this property.

In August 2014, this property was classified as a ‘Tier 3’ property pursuant to the City Policy for the Sale/Disposition of City-owned General Government Real Property (Policy). Upon receiving a request to purchase, market value was established via an in-house valuation. Standard valuation includes review of recent sales for like properties, located within a 3 mile radius of the subject property, and applied discounts for city-reserved easements, if applicable.

The approval of this sale will allow for the continued growth and expansion of our City by returning the parcel to the tax rolls, providing opportunity for residential development and reducing the City’s overall maintenance costs associated with its ownership, which satisfies the goal set forth in the City Policy.

ISSUE:

The City must dispose of City-owned surplus property pursuant to the City’s Policy. If this sale is not approved, the parcel will remain a City-owned vacant, undeveloped residential lot and will not be placed back onto the tax rolls.

ALTERNATIVES:

The City could continue to hold title to this parcel. However, that contradicts the goals outlined in the City Policy.



RECOMMENDATION:

The Public Works Department recommends Council approve the Declaration of Surplus and execution of a Quit Claim Deed to convey Parcel #022013-112-0 to Mike and Karen Musica, husband and wife, via negotiated disposition.

FISCAL IMPACT:

The funds from this surplus property sale, \$67,954, will be deposited into 1100-PW Property Management Fund, cost center 296000, PWF Surplus Property Sales.

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Sale of Surplus Property – Mike and Karen Musica	296000	6411030	\$67,954.00
TOTAL			\$67,954.00

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$67,954.00

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes