



TO: Mayor and City Council
FROM: William A. Gaines, Director of Utilities/CEO
COPY: Elizabeth Pauli, City Manager, and City Clerk
SUBJECT: Resolution – Set Public Hearing – October 24, 2017
DATE: September 27, 2017

SUMMARY:

To set Tuesday, November 7, 2017, as the date for a Public Hearing regarding the sale of approximately 1,875 SF of Tacoma Power property for \$72,100.

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 allowing retention of the property in a substantially native condition, 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 an informal bid process in 2017, a neighbor was the successful bidder and will purchase the property for \$72,100. A restrictive covenant will be included in the quit claim deed prohibiting development of the property.

The sale 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 Real Property Services and reviewed by the City’s Legal Department and is now routing for signature. If approved, the sale is expected to close by November 30, 2017.

ALTERNATIVES:

The alternatives to disposing of the property through the bid/sale process, as allowed under TMC 1.06.280f, are to either retain ownership or to dispose via a negotiated disposition. Tacoma Power does not have a need for continued fee ownership of the property, and if it were to retain ownership there would be continued management and administrative costs. The informal bid/sale process was determined to be the most efficient disposition method, as the most likely purchaser is a neighbor and the property would likely not appeal to most other market participants.

RECOMMENDATION:

Tacoma Power and Real Property Services recommend that the City Council set a Public Hearing in accordance with RCW 35.94.040, to be held November 7, 2017 to receive public comment regarding the proposed sale of approximately 1,875 SF of Tacoma Power real property located in Tacoma, WA. Once the Public Hearing has been conducted, a separate request will be presented to the City Council for the approval of the sale and conveyance of the real property.

FISCAL IMPACT:

There is no fiscal impact to setting this public hearing.