




TO: T.C. Broadnax, City Manager
FROM: Gloria Fletcher, Senior Real Estate Officer TPU, Department of Public Works 
William A. Gaines, Director of Utilities/CEO
COPY: City Council and City Clerk
SUBJECT: Resolution – Set Public Hearing – May 20, 2014
DATE: April 28, 2014

SUMMARY:

To Set Tuesday, June 3, 2014 as the date for a Public Hearing in order to declare surplus and approve the negotiated sale of approximately 13.06 acres of surplus land located in Lewis County to Mr. David Filla.

STRATEGIC POLICY PRIORITY:

- Encourage and promote an open, effective, results-oriented organization.

This transaction supports an open, effective, and results-oriented organization by allowing for public input on this real estate transaction.

BACKGROUND:

This property was acquired in 2011 as part of a larger, 73 acre, purchase by the City of Tacoma, Department of Public Utilities - Light Division, from Mr. Filla. Funds from the original acquisition were provided by the Cowlitz Fish Habitat Fund that was established in accordance with the Federal Energy Regulatory Commission's License Number 2016 (Cowlitz River Hydroelectric Project).

At the time of that purchase, Mr. Filla was not able to exclude the subject 13.06 acres from the sale. However, since that time, he has completed a survey to facilitate a boundary line adjustment which would place this portion back into his ownership.

Tacoma Power has determined that there is no foreseeable need for continued ownership of this property, and that its current fish habitat management activities are not impacted by this transaction. Further, since Mr. Filla is an abutting and former owner, a negotiated sale would be in the best interests of the City of Tacoma and Tacoma Power. This action was approved by the Public Utility Board on May 14, 2014.

ALTERNATIVES:

The alternatives to declaring the parcel surplus and disposing of it through the negotiated sale disposition process are to either retain ownership or to dispose via a bid/sale or Request for Proposal process. Tacoma Power does not have a need for the property so retaining ownership will result in continued and unnecessary risk exposure and maintenance costs. Since the property is adjacent to Mr. Filla's property, and he was the original owner, a negotiated disposition is the most efficient transactional process.



RECOMMENDATION:

Tacoma Property and Real Property Services recommend that the City Council set a public hearing to be held June 3, 2014 to receive public comment regarding the proposed sale of approximately 13.06 acres located in Lewis County.

The Public Hearing will provide a forum for the public to comment on the proposed sale, thereby promoting transparency of governmental actions and the responsible stewardship of City property. Once the Public Hearing has been conducted a separate request will be presented to City Council for the approval of the declaration of surplus, negotiated disposition, and conveyance of real property from The City of Tacoma to Mr. David Filla.

FISCAL IMPACT:

REVENUES:

| FUNDING SOURCE | COST OBJECT (CC/WBS/ORDER) | COST ELEMENT | TOTAL AMOUNT |
|---------------------------|----------------------------|--------------|---------------------|
| Cowlitz Fish Habitat Fund | PWR-00157-02-06-03 | | 160,515.00 |
| | | | |
| | | | |
| TOTAL | | | \$160,515.00 |

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: 0

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No. This revenue opportunity developed after Mr. Filla approached the City.

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