



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 – October 21, 2014
DATE: September 12, 2014

SUMMARY:

To Set Tuesday, November 4, 2014, as the date for a Public Hearing in order to declare surplus and approve the negotiated sale of approximately 867 square feet of land located adjacent to Bridgeport Way near the intersection of Bridgeport Way and 21st Street West, in University Place, to the City of University Place for \$11,900.

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 is an 8.5 foot wide strip comprising the western border of Tacoma Power's University Substation. It is currently a part of a larger landscaping buffer between Bridgeport Way and the substation.

The City of University Place has been in the process of making improvements to Bridgeport Way for several years, and this project part of Phase 5 of the overall roadway improvement plan. The fair market value was determined to be \$11,900 by a third party appraiser.

Tacoma Power as determined that there is no foreseeable need for continued ownership of this property, and that its current operations are not impacted by this transaction. This action was approved by the Public Utility Board on October 15, 2014.

ALTERNATIVES:

Because this project is needed for a public use, the only alternative to declaring the parcel surplus and disposing of it through the negotiated sale disposition process is to retain ownership and allow the City of University Place to acquire an easement. Due to the extensive encumbrance that would result from the proposed use, Tacoma Power would receive no benefit for retaining ownership and could potentially be exposed to unnecessary risk and maintenance costs. Therefore, the negotiated disposition to the City of University Place is the most practical resolution to this issue.

RECOMMENDATION:

Tacoma Power and Real Property Services recommend that the City Council set a public hearing to be held November 4, 2014 to receive public comment regarding the proposed sale of approximately 867 square feet of property located in University Place, Washington.



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 The City of University Place.

FISCAL IMPACT:

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Power Superintendent Fund 4700	56100		\$ 11,900
TOTAL			\$11,900

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: 0

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No. This revenue opportunity developed after the City of University Place approached Tacoma Power.

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