

COMMISSION AGENDA

Item No: 4G

Meeting: 11/29/18

DATE: November 14, 2018

TO: Port Commission

FROM: John Wolfe, Chief Executive Officer
Sponsor: Tong Zhu, Chief Commercial Officer & Chief Strategy Officer
Project Manager: Scott Francis, Director of Real Estate, Port of Tacoma

SUBJECT: Divestiture of approximately one-half acre of land at 1123 and 1171 Taylor Way

A. ACTION REQUESTED

Request Commission approval of the Purchase and Sale Agreement dated October 19, 2018 with City of Tacoma (Buyer) to sell Port Parcel 98 and portions of Port Parcels 5 and 103 also known as Tax Parcel 2275200440 and portions of Tax Parcels 5000350050 and 0321263046, located on East 11th Street, 1123 and 1171 Taylor Way, Tacoma, Washington, and authorize the Chief Executive Officer or his designee to execute any and all additional documents and take any and all additional actions necessary or required in connection with the completion of the sale.

B. BACKGROUND

The City of Tacoma needs about .58 acres at 1171 Taylor Way to support construction of a new fire station to be built at this location. This property was purchased from the City of Tacoma in 2007 as part of a larger acquisition totaling about 17.29 acres. Previously this parcel was the location of the Tacoma Steam Plant which was built in 1930 and demolished in 2009. Today the site is still known as the Steam Plant Property. Currently, the Port is working with the City of Tacoma to clean up the original Steam Plant site. However, no contamination has been identified on the small area requested for sale to support the future fire station. The Tacoma Port Commission approved this property for surplus on September 20, 2018.

C. TIMEFRAME/PROJECT SCHEDULE

- Feasibility Period – Waived
- Closing – On or before December 31, 2018.

D. PURCHASE TERMS/FINANCIAL SUMMARY

- Sale Price: \$365,000 (Market value as determined by an appraisal.)
- Earnest Money: No Earnest Money required.
- Broker Commission: No Broker involvement.
- Closing Fees: Normal closing fees shared between Buyer and Seller.
- Special Provisions:
 - Buyer shall not sell the property for one-year.
 - Buyer shall commence work on improvements within one-year of closing.

- Property shall only be used for a fire station and related uses.
- The Property will revert back to the Port for the same sale price when it is no longer used for a fire station.

E. ECONOMIC INVESTMENT / JOB CREATION

The sale of this property to the City of Tacoma for the location of a new fire station supports all businesses and residential properties on the tide flats, along Marine View Drive and parts of NE Tacoma.

F. NEXT STEPS

Upon Commission approval and the subsequent City of Tacoma Council approval, the Chief Executive Officer or his designee will execute any and all documents and take any and all additional actions necessary or required in connection with the completion of the property sale.