

COMMISSION AGENDA

Item No: 6A

Meeting: 02/22/18

DATE: February 8, 2018

TO: Port Commission

FROM: John Wolfe, Chief Executive Officer

Sponsor: Tong Zhu, Chief Commercial Officer & Chief Strategy Officer

Project Manager: Scott Francis, Director, Real Estate

SUBJECT: PORT PARCEL 92 (TAX PARCELS 0320041051 and 0320041052) – PUBLIC HEARING TO AMEND COMPREHENSIVE SCHEME OF HARBOR IMPROVEMENTS REQUESTED COMMISSION ACTION TO DECLARE PORT REAL PROPERTY SURPLUS & TO AUTHORIZE SALE OF PORT PROPERTY

A. ACTION REQUESTED

Commission is requested to (1) hold public hearing and thereafter declare, by Resolution, certain Port-owned property (tax parcels 0320041051 and 0320041052) as surplus to the Port's needs and (2) to approve amendment to the Port's Comprehensive Scheme of Harbor Improvements to delete such real property and (3) to authorize sale of the real property.

B. BACKGROUND

- Pursuant to RCW 53.08.090, before Port real property is sold, the Port's Chief Executive Officer (CEO) must make a written certification that the real property is no longer needed for Port District purposes.
- Prior to sale, the Port must also amend its Comprehensive Scheme of Harbor Improvements to remove said property.
- Commission authorization is required for the sale of any Port real property.
- In 2006, the Port purchased Tax Parcels 0320041051 and 0320041052 respectively known as 459 E. 15th Street and 465 E. 15th Street, Tacoma, WA 98421 for a combined purchase price of \$3,400,000.
- These two parcels known as Port Parcel 92 total approximately 4.42 acres.
- Property improvements include two buildings scheduled for demolition and two buildings with month-to-month leases that are terminable upon 30-day notice by either Lessee or Lessor.
- Staff has determined the location of this property is outside of the Port's strategic planning area. Therefore, staff recommends that the Commission declare this property as surplus to the Port's needs to allow the marketing of this property.

C. REQUESTED COMMISSION ACTIONS:

- Accept the CEO's certification that the Port Parcel 92 is no longer needed and is surplus to the Port district purposes.
- Conduct a public hearing to accept comments on surplus of property and the proposed amendment to the Port's Comprehensive Scheme of Harbor Improvements to remove this property

- Approve Amending the Port's Comprehensive Scheme of Harbor Improvements to remove this Port Parcel 92.

D. FINANCIAL IMPACT

There is no direct financial impact to the Port as a result of this proposed action to declare the property surplus and amend the Comprehensive Scheme of Harbor Improvements.

E. ECONOMIC INVESTMENT / JOB CREATION

Declaring this property as surplus to the Port's needs and authorizing the sale of this property are expected to create interest in the industrial development of this property that will create new job and support the Port's core business.

F. NEXT STEPS

After the Commission has held the public hearing, approved the resolution declaring Port Parcel 92 surplus, and authorized amending the Port's Comprehensive Scheme of Harbor Improvements, the Port's Real Estate Department will market the property for purchase at the highest and best industrial use.

Port Staff will return to Commission for approval of the terms of any sale when a suitable buyer is found.

cc: Tong Zhu