

Subject: RES #750 – Declaring Certain Real Property Surplus and Directing the sale of the Same

Proposed Council Action:

1. Hold a Public Hearing,
2. Deliberate,
3. If desired, declare the parcel of real property as “surplus” and direct its sale.

Dept. Origin: Mayor’s Office
Prepared by: Jennifer Robertson, City Attorney
For Agenda of: July 5, 2022
Exhibits: Resolution No. 750 & Public Hearing Notice

	Initial & Date
Concurred by Mayor:	_____
Approved/form by City Atty:	<u>6-14-22/JSR</u>
Approved by Planning Director:	_____
Approved by Department Head:	_____

INFORMATION / BACKGROUND

The City of Ruston a parcel of undeveloped real property within its borders which are currently not in use. This parcel is:

Address: 5121 N. Winnifred Street, Ruston WA 98407
 Parcel No.: 4655000391
 Zoning: Residential (RES Zone)
 Improvement: Ruston Fire Station

Earlier this year, most of the City operations, including the Fire Department, have moved to the Ruston School Building and thus the Ruston Fire Station property is no longer used or needed. The Mayor and Planning Director do not anticipate any city use for this parcel and recommend that the Council consider declaring this property “surplus” and directing its sale on the open market for fair market value.

Under Washington law, the City has the right to sell surplus property.¹ The process for sale of surplus real property is as follows:

1. Hold a public hearing.

The Council is required to hold a public hearing on whether the property should be declared surplus. This is required for property valued at \$50,000 or more² and for any property of any

¹ RCW 35A.11.010.

² RCW 39.33.020.

value that was purchased by a city utilities department.³

While not utility property, this real estate is valued at more than \$50,000, therefore a public hearing is required. The City has complied with the State law requirements⁴ for noticing the public hearing by publishing notice of the public hearing a minimum of 10 days (and no more than 25 days) prior to the hearing in the City's Official Newspaper. Such notice included the information required by State statute. A copy of the Public Hearing Notice is attached to this Agenda Bill. In addition to publishing notice, the City also sent press releases about the public hearing to the Tacoma News Tribune and Tacoma Weekly and posted copies of the Notice on the Announcement Board at City Hall, at the Mary Joyce Community Center and on the City of Ruston Website.

2. Consider whether the property should be declared "surplus".

After the public hearing, the Council should consider whether the property is no longer needed by the City for governmental purposes and may be sold. If the City Council determines that the property is not needed, passage of Resolution No. 750 declaring it surplus would be the next step.

3. Consider how the property may be sold.

Resolution No. 750 also outlines how this property will be sold. The Council has authority to direct the method of sale (i.e. auction, take bids, listed for sale, post on website of its availability, etc.) as well as the person whom is delegated to oversee and implement the sale. *However*, the property must be sold for "fair market value" to ensure that the price accepted does not amount to a prohibited "gift of public funds."⁵

Resolution No. 750 authorizes the Mayor to (1) obtain an appraisal of the property;⁶ (2) place the property on the open market (including hiring a listing agent if desired); and (3) bring any offers to Council for consideration⁷ for discussion prior to acceptance.

FISCAL CONSIDERATION

Declaring this parcel of property surplus and selling it will take unproductive property in the City, allow it be sold and developed, and will bring revenue into the City based on both the sale, the Real Estate Excise Tax, and any tax or other revenue that is generated by the development of this parcel. Considering the impacts of COVID19 on the City budget and the real estate market, this could be a good time to sell this parcel.

RECOMMENDATION / MOTION

³ RCW 35.94.040.

⁴ RCW 39.33.020.

⁵ Article VIII, Section 7, Washington Constitution.

⁶ Appraisals are exempt from the Public Records Act, if releasing such documents would hinder the City from obtaining the best price. RCW 42.56.260. This exemption is time-limited to the sales period or 3 years, whichever is shorter. An appraisal is not strictly required, however, so the Resolution makes obtaining an appraisal an option rather than a requirement.

⁷ Consideration of offers for selling or purchasing property are permitted to occur in Executive Session. RCW 42.30.110(1)(c).

Hold Public Hearing, deliberate and consider adopting Resolution No. 750.

MOTION 1: I move to open the public hearing.

➔ Take Testimony.

MOTION 2: I move to close the public hearing.

MOTION 3: I move adoption of Resolution No. 750 declaring a parcel of real property as “surplus”, directing the sale of this parcel, authorizing the Mayor to implement this Resolution, including obtaining an appraisal, placing the property onto the open market with conditions of sale as outlined herein, and authoring the Mayor to finalize the sale, after consulting with the Council.

RESOLUTION NO. 750

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RUSTON, DECLARING ONE PARCEL OF REAL PROPERTY AS “SURPLUS”, DIRECTING THE SALE OF THIS PARCEL, AUTHORIZING THE MAYOR TO IMPLEMENT THIS RESOLUTION, INCLUDING OBTAINING AN APPRAISAL, PLACING THE PROPERTY ONTO THE OPEN MARKET, AND AUTHORIZING THE MAYOR TO FINALIZE THE SALE, AFTER CONSULTING WITH THE COUNCIL.

WHEREAS, the City of Ruston owns a parcel of real property within its borders which is no longer needed for municipal use. This parcel is:

Address: 5121 N. Winnifred Street, Ruston WA 98407

Parcel No.: 4655000391

Zoning: Residential (RES Zone)

Improvement: Ruston Fire Station; and

WHEREAS, this parcel was not purchased by the City for utility property; and

WHEREAS, most City operations, including the Fire Department, have moved to the Ruston School Building and thus this property is no longer needed; and

WHEREAS, the Mayor and Planning Director do not anticipate any city use for this parcel and recommend that the Council consider declaring this property “surplus” and directing its sale on the open market for fair market value or greater; and

WHEREAS, under Washington law (RCW 35A.11.010), the City has the right to sell surplus property; and

WHEREAS, the City has complied with the State law requirement to allow the sale of surplus real property by holding a duly noticed public hearing on July 5, 2022; and

WHEREAS, notice of the public hearing was published a minimum of 10 days (and no more than 25 days) prior to the hearing in the City’s Official Newspaper and included the information required by State statute; and

WHEREAS, in addition to publishing notice in its official newspaper, the City also sent press releases about the public hearing to the Tacoma News Tribune and Tacoma Weekly and posted copies of the Notice on the Announcement Board at City Hall, at the Mary Joyce Community Center and on the City of Ruston Website; and

WHEREAS, after holding the public hearing and considering the public interest and welfare of the City of Ruston, the City Council has determined that the parcel of real property described in this Resolution is not needed by the City at the present time and no future need or use is anticipated; and

WHEREAS, after considering the input of the City Planning Director, the City Council deems it in the public interest to require certain development conditions and timeline as part of the sale as described in this Resolution; and

WHEREAS, the City Council deems it in the public’s best interest to authorize the Mayor to implement this resolution and to undertake the sale of this parcel on behalf of the City as described in this Resolution; **NOW, THEREFORE,**

THE CITY COUNCIL OF THE CITY OF RUSTON HEREBY RESOLVES AS FOLLOWS:

Section 1. Property Declared Surplus. The City Council hereby declares the following parcel of real property as “surplus” to the City’s needs.

Address: 5121 N. Winnifred Street, Ruston WA 98407

Parcel No.: 4655000391

Zoning: Residential (RES Zone)

Improvement: Ruston Fire Station

Section 2. Mayor Authorized to Sell the Surplus Real Property. The Mayor of Ruston is hereby authorized to take any and all appropriate acts to sell the property described above, including:

- a. Obtaining an appraisal of the property to establish fair market value, if necessary.
- b. Placing the property onto the market and market it for sale. This authority includes the authority to hire a listing agent, if desired.
- c. The Mayor shall keep the Councilmembers informed as to the status of the property, including sharing any offers to purchase.
- d. The Mayor is authorized to take any other actions necessary to sell the parcel of real property and to maximize the price thereof. In no case shall the property be sold for less than fair market value.

PASSED by the City Council of the City of Ruston, signed by the Mayor and attested by the City Clerk in authentication of such passage on this 5th day of July, 2022.

Bruce Hopkins, Mayor

ATTEST:

Judy Grams, City Clerk

FILED WITH THE CITY CLERK: _____
PASSED BY THE CITY COUNCIL: _____
PUBLISHED: _____
RESOLUTION NO: 750

Notice of Public Hearing

Surplus and Disposal of Real Property

The City Council of the City of Ruston will hold a Public Hearing during the regular meeting of **July 5, 2022 at 7:00 PM**, or as soon thereafter as possible, to consider the surplus and disposal of City property.

The parcel of real property being considered at this hearing as surplus is:

Address: 5121 N. Winnifred Street, Ruston WA 98407
Parcel No.: 4655000391
Zoning: Residential (RES Zone)
Improvement: Former Ruston Fire Station

The City proposes to sell this parcel on the open market for fair market value.

All members of the public may provide testimony during the public hearing or they may submit written comments prior to the public hearing. The City Council meets at Mary Joyce Community Center at 5219 N. Shirley Street, Ruston WA 98407. Written comments may be submitted prior to the hearing to the City Clerk at 5219 N. Shirley Street, Ruston WA 98407 or townclerk@rustonwa.org

Individuals who desire special accommodations should contact the City Clerk at (253)759-3544 at least 48 business hours prior to the Public Hearing, including individuals who would like to provide oral public comment but are unable to attend in person due to disability, limited mobility, or another reason that makes physical attendance difficult.

Cc: Members of the City Council Mayor Bruce Hopkins Official Newspaper
Tacoma News Tribune
Tacoma Weekly

Posted: City Hall
Mary Joyce Community Center
City Website