

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Adoption of Resolution No. 421 – Amending Resolution No. 411 to Permit the Sale of the Surplus Shoreline Police Station at N 185 th Street by Real Estate Broker Sale
DEPARTMENT:	City Manager’s Office City Attorney’s Office
PRESENTED BY:	Dan Eernisse, Economic Development/Real Estate Manager Julie Ainsworth-Taylor, Assistant City Attorney
ACTION:	<input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

The current Shoreline Police facility on N 185th Street (the 185th Police Station) has long been recognized as sub-standard. Following an extensive feasibility study, Council directed that a new police station be incorporated into the City Hall campus. At its May 1, 2017 meeting, Council authorized the City Manager to enter into contracts to construct the new facility. The new facility is currently under construction and it is anticipated that Shoreline Police will completely vacate the 185th Police Station by May 2018. Council has directed that the eventual sales proceeds from the disposition of the 185th Police Station should be utilized to fund the new facility.

On May 22, 2017, the City Council passed Resolution No. 411 declaring the 185th Police Station as surplus and authorizing its sale. The staff report for this Council action can be found at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2017/staffreport052217-8a.pdf>.

At the time of Resolution No. 411’s passage, there were only three options for the sale of surplus property: sealed bid, auction, or negotiated sale (limited to use when aggregating abutting properties). Thus, the City Council authorized the 185th Police Station to be sold by sealed bid.

The City Council was recently presented with proposed Ordinance No. 809 which proposes to amend Shoreline Municipal Code Chapter 3.55, the municipal code provisions setting forth the procedures for the disposition of surplus real property, to include an option for sale of such property by a real estate broker. Council discussed proposed Ordinance on November 27, 2017 and had no concerns with staff bringing it back for adoption on the consent calendar. The staff report for this discussion can be reviewed at the following link:

<http://cosweb.ci.shoreline.wa.us/uploads/attachments/cck/council/staffreports/2017/staffreport112717-8c.pdf>. Tonight, proposed Ordinance No. 809 is scheduled for adoption.

The sale of the 185th Police Station by a real estate broker should facilitate and realize a greater value than through a sealed bid process; especially given the current real estate market. Use of this method still requires the surplus property to be listed at the appraised value of \$2.1 million. Proposed Resolution No. 421 (Attachment A) amends Resolution No. 411 so that the City Manager is authorized to sell the 185th Police Station using a licensed real estate broker.

RESOURCE/FINANCIAL IMPACT:

The use of a real estate broker would require payment of a commission for such services. Ordinance No. 809 contains provisions requiring this commission to be comparable to the market rate within Shoreline. However, use of a broker should realize a higher sale value than via a sealed bid so as to offset the commission.

RECOMMENDATION

Staff recommends that Council adopt Resolution No. 421. This resolution would become effective after the effective date of Ordinance No. 809.

ATTACHMENTS:

Attachment A: Proposed Resolution No. 421

Approved By: City Manager **DT** City Attorney **MK**

RESOLUTION NO. 421

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, AMENDING RESOLUTION NO. 411 TO AUTHORIZE THE SALE OF THE SHORELINE POLICE STATION (1206 N. 185TH STREET) BY REAL ESTATE BROKER.

WHEREAS, on May 22, 2017, via the adoption of Resolution No. 411, the City Council declared real property located at 1206 N. 185th Street, the current site of the Shoreline Police Station, to be surplus; and

WHEREAS, with Resolution No. 411 the City Council further authorized the sale and disposition of the real property by Sealed Bid; and

WHEREAS, with the adoption of Ordinance No. 809, the option of using a licensed real estate broker for the sale of surplus real property was authorized; and

WHEREAS, the City Council has determined that utilizing a licensed real estate broker for the disposition of the surplus Police Station real property will facilitate and realize a greater return for the City;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, HEREBY RESOLVES:

Section 2 of Resolution No. 411, the Authorization to Sell and Dispose of Surplus Real Property, is amended to read as follows:

The City Manager is hereby authorized to sell and dispose of the real property ~~by Sealed Bid~~ by a licensed real estate broker as provided in SMC 3.55.011(B)(1) and subject to the procedures and requirements set forth in SMC 3.55.012.

This Resolution shall take effect and be in full force one (1) calendar day after the effective date of Ordinance No. 809. If Ordinance No. 809 is not adopted or otherwise does not take effect, than this Resolution shall be considered null and void.

ADOPTED BY THE CITY COUNCIL ON DECEMBER 11, 2017.

Mayor Christopher Roberts

ATTEST:

Jessica Simulcik Smith
City Clerk