

RESOLUTION NO. 411**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DECLARING CERTAIN CITY-OWNED REAL PROPERTY SURPLUS LOCATED AT 1206 N. 185TH STREET (SHORELINE POLICE STATION), TAX PARCEL 164350-0085 AND AUTHORIZING SALE OF THE REAL PROPERTY AS PROVIDED IN SHORELINE MUNICIPAL CODE, CHAPTER 3.55.**

WHEREAS, Shoreline Municipal Code (SMC) Chapter 3.55 authorizes the City to dispose of real property surplus to the current or future needs of the City and where the disposition would afford the City a reasonable return from the sale; and

WHEREAS, the City acquired real property located at 1206 N. 185th Street, Shoreline, Washington, Tax Parcel 164350-0085, in 1996; and

WHEREAS, the real property has been utilized as the Shoreline Police Station since this time; and

WHEREAS, the City Council has authorized the construction of a new Shoreline Police Station located at the City Hall Campus; and

WHEREAS, an appraisal report was prepared for the real property which estimated an "As Is" market value of the property in July 2016 as \$2.1 million; this value was confirmed by a market survey completed in April 2017; and

WHEREAS, real property may be declared surplus by the City Council if all of the procedures in SMC 3.55.011(A) have been completed; and

WHEREAS, a staff report has been provided to the City Council with the information mandated by SMC 3.55.011(A)(1); and

WHEREAS, the public hearing required by SMC 3.55.011(A)(2) was held on May 22, 2017 after proper notice;

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

Section 1. Declaration of Surplus Real Property. The City Council has determined that the real property located at 1206 N. 185th Street, Shoreline, Washington, Tax Parcel 164350-0085, is not currently needed by the City nor will it be needed in the future and that the City will attain a reasonable return from its sale. Therefore, the City Council declares this real property surplus.

Section 2. Authorization to Sell and Dispose of Surplus Real Property. The City Manager is hereby authorized to sell and dispose of the surplus real property by Sealed Bid as provided in SMC 3.55.011(B)(1) and subject to the procedures and requirements set forth in SMC 3.55.012.

ORIGINAL

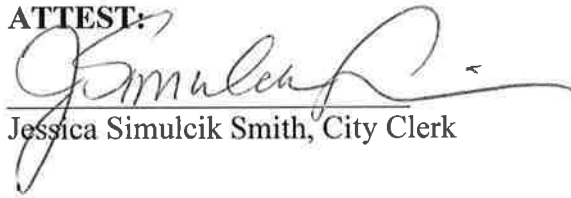
Section 3. Minimum Acceptable Price. As provided in SMC 3.55.011(B)(3), the City Council established the following minimum acceptable price: US \$2.1 million.

ADOPTED BY THE CITY COUNCIL ON MAY 22, 2017.



Christopher Roberts, Mayor

ATTEST:



Jessica Simulcik Smith, City Clerk

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Public Hearing and Adoption of Resolution No. 411 – Surplus Property Designation of the Shoreline Police Station at N 185 th Street
DEPARTMENT:	City Manager’s Office
PRESENTED BY:	Dan Eernisse, Economic Development/Real Estate Manager
ACTION:	<input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Motion <input type="checkbox"/> Discussion <input checked="" 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. It is anticipated that Shoreline Police will completely vacate the 185th Police Station by early 2018, and Council has directed that the eventual sales proceeds from the disposition of the 185th Police Station should be utilized to fund the new facility; \$1,800,000 is budgeted for this purpose.

City-owned properties, which include the 185th Police Station, are disposed of through the Surplus Property Declaration process defined in Shoreline Municipal Code Chapter 3.55. Tonight’s Public Hearing and potential adoption of proposed Resolution No. 411 initiates the first step in the disposition process. Adoption of this resolution would declare 185th Police Station as surplus and authorize its sale through a sealed bid process.

RESOURCE/FINANCIAL IMPACT:

The value of the 185th Police Station was professionally appraised in July 2016 at \$70.79 per square foot (sf) for the 30,451sf property, or \$2.1 million in total. The appraisal was confirmed by market survey of comparable sales by the appraisal group in April 2017. All proceeds from the 185th Police Station will be directed to fund the \$8.8 million Police Station at City Hall Project; \$1.8 million revenue is currently budgeted for this purpose.

RECOMMENDATION

Staff recommends that Council adopt Resolution No. 411.

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

BACKGROUND

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. It is anticipated that Shoreline Police will completely vacate the 185th Police Station by early 2018, and Council has directed that the eventual sales proceeds from the disposition of the 185th Police Station should be utilized to fund the new facility. Currently, \$1,800,000 is budgeted for this purpose.

City-owned properties, which include the 185th Police Station, are disposed of through the Surplus Property Declaration process defined in Shoreline Municipal Code Chapter 3.55 (Attachment A). Tonight's Public Hearing and potential adoption of proposed Resolution No. 411 (Attachment B) initiates the first step in the disposition process. Adoption of this resolution would declare 185th Police Station as surplus and authorize its sale through a sealed bid process.

DISCUSSION

The 185th Police Station is Surplus to the City's Needs (SMC 3.55.010A)

The 185th Police Station has served a clear public use as the primary Shoreline police precinct since its acquisition in 1996. However, since the Police Department will be moving to City Hall in 2018, the 185th Police Station will no longer be needed as a police precinct. Furthermore, the City has no identified current or future need for this Town Center subarea property.

Required Information to Surplus Real Property (SMC 3.55.011A)

This section of the Municipal Code requires that the following information about the surplus property appear in the staff report to Council:

- a. **Description of the subject parcel's size, general location, and legal description**
The 185th Police Station is located at 1206 N 185th Street, Shoreline, WA 98133. The Tax Parcel No. is 1643500085. The current parcel size is 30,451sf. The legal description is "CLIVE ADD TO ECHO LAKE LESS CO RD, Plat Block: 2, Plat Lot: 6." The property is in the Shoreline Town Center subarea is zoned TC-2. It is also part of the 185th Street Station Subarea Planned Action Area.
- b. **Description of the circumstances under which the subject parcel was obtained**
The Shoreline City Council approved the 185th Police Station for use as a police precinct on August 12, 1996.
- c. **Description of what funds were used to initially acquire the subject parcel**
The 185th Police Station was acquired for \$812,500 using funding from the City's General Capital fund through a transfer from the General Fund.

d. Recommendation as to which fund the proceeds from its sale should be credited

It is recommended that proceeds be directed to fund the Police Station at City Hall project.

e. History of municipal use, if any, or uses for which it might be held

Since acquisition, the 185th Police Station has been used as a police precinct. No other current or future City or public use has been identified.

f. Value of the subject parcel and whether further appraisal before sale is recommended and the type of appraisal required (see SMC [3.55.012\(A\)\(2\)](#))

The \$2.1 million value of the property was most recently established by full appraisal in July 2016 (Attachment C), and the value was confirmed again by market survey in April 2017 (Attachment D). No further appraisal is recommended if a sales agreement can be approved by the end of 2017.

g. Whether the subject parcel is only usable by abutting owners or is marketable

The property is developable as a standalone property as demonstrated in the July 2016 appraisal, and therefore its use is not limited to the abutting property owners.

h. Whether special consideration ought to be given to some other public agency that has a use for the subject parcel

No other public agency has indicated a public use for the property, nor has staff considered that this is the case. The property's highest use is as a redevelopment property with proceeds being used to fund another public use, the Police Station at City Hall project.

i. Whether the subject parcel should be sold at auction, by sealed bid, or by negotiation

The 185th Police Station is appropriate to be sold by Sealed Bid. SMC 3.55.012 provides a variety of methods of property disposition, but the 185th Police Station qualifies only to be sold through sealed bid or auction.

- 1) The 185th Police Station does not qualify for a Special Disposition Process (SMC 3.55.010B).*
- 2) The property has value in itself, and does not need to be aggregated with adjacent properties. Therefore, a Negotiated Sale process is not appropriate.*
- 3) Unless Council directs that an auction process be used, staff will use a sealed bid process rather than an auction process since staff has extensive experience managing bid processes.*

j. Recommendation as to whether any special covenants or restrictions should be imposed in conjunction with sale of the subject parcel

No conditions are recommended.

- k. **For land acquired for public utility purposes, whether the land is no longer required to provide continued public utility service**
The land was never used for public utility purposes.

Public Hearing Notice (SMC 3.55.011A)

The municipal code also requires a public hearing with certain noticing requirements for the surplus of real property. Notice of tonight's Public Hearing was published in the City's official newspaper and was mailed to all property owners within 500 feet of the 185th Police Station on May 5, 2017, which is not less than 10 days nor more than 25 days prior to the hearing (Attachment E).

Proposed Resolution No. 411 (SMC 3.55.011B)

The contents of proposed Resolution No. 411 include the required three elements as identified in SMC 3.55.011B. This includes:

- a. The City Council declare the 185th Police Station as surplus;
- b. The 185th Police Station shall be sold by sealed bid; and
- c. The minimum acceptable price shall be \$2.1 million.

RESOURCE/FINANCIAL IMPACT

The value of the 185th Police Station was professionally appraised in July 2016 at \$70.79 per square foot (sf) for the 30,451sf property, or \$2.1 million in total. The appraisal was confirmed by market survey of comparable sales by the appraisal group in April 2017. All proceeds from the 185th Police Station will be directed to fund the \$8.8 million Police Station at City Hall Project; \$1.8 million revenue is currently budgeted for this purpose.

RECOMMENDATION

Staff recommends that Council adopt Resolution No. 411.

ATTACHMENTS

- Attachment A: Shoreline Municipal Code Section 3.55 – Sale and Disposal of Real Property
- Attachment B: Proposed Resolution No. 411
- Attachment C: July 2016 Property Appraisal Executive Summary
- Attachment D: April 2017 Property Appraisal Confirmation Letter
- Attachment E: Mailed Notice of Public Hearing to Properties within 500' Feet of the 185th Police Station Property

Chapter 3.55 SALE AND DISPOSAL OF REAL PROPERTY

Sections:

3.55.010 Policy and procedures for disposition of city-owned real property.

3.55.011 Surplus property declaration.

3.55.012 Sale procedure.

3.55.013 Exemptions from requirements of chapter.

3.55.010 Policy and procedures for disposition of city-owned real property.

A. Policy. The city council declares that it is in the public interest and the policy of the city to dispose of all real property interests in which the city holds a fee, leasehold, easement or license interest, where such property is surplus to its current or future needs, and where such disposition would afford the city a reasonable return from the sale of fee property. For purposes of this chapter, “reasonable return” means sale at an amount equal to, or greater than, the fair market value under SMC 3.55.012. For purposes of this chapter, “surplus property” means both real property for which the city has no current or future need, as well as real property, which, if disposed of, would be put to a higher or better use for the community at large.

B. Procedures. Real property declared surplus may be disposed of for a reasonable return by any of the procedures of this chapter unless: (1) the property is authorized for special disposition process by the city council; or (2) the property was originally acquired for public utility purposes, in which case it shall be sold for fair market value pursuant to RCW 35.94.040.

C. Special Disposition Process. In cases where the public interest in a reasonable return is outweighed by the public benefit, due to factors such as the unique character or development potential of a given property, the city council may designate such property for disposal by a request for proposals, sealed bid, options to purchase, lease-purchase transactions, or other commonly used, commercially reasonable means of disposal. If an intergovernmental transfer is considered for a special disposition process, this chapter shall be supplemented with procedures of Chapter 39.33 RCW. [Ord. 677 § 1, 2013; Ord. 626 § 1, 2012]

3.55.011 Surplus property declaration.

Attachment A

A. Real property owned by the city may be declared surplus by the city council after the following procedures have been completed:

1. The city manager shall include the following information in the staff report to council for each parcel under consideration:

- a. Description of the subject parcel's size, general location, and legal description;
- b. Description of the circumstances under which the subject parcel was obtained;
- c. Description of what funds were used to initially acquire the subject parcel;
- d. Recommendation as to which fund the proceeds from its sale should be credited;
- e. History of municipal use, if any, or uses for which it might be held;
- f. Value of the subject parcel and whether further appraisal before sale is recommended and the type of appraisal required (see SMC 3.55.012(A)(2));
- g. Whether the subject parcel is only usable by abutting owners or is marketable;
- h. Whether special consideration ought to be given to some other public agency that has a use for the subject parcel;
- i. Whether the subject parcel should be sold at auction, by sealed bid, or by negotiation;
- j. Recommendation as to whether any special covenants or restrictions should be imposed in conjunction with sale of the subject parcel;
- k. For land acquired for public utility purposes, whether the land is no longer required to provide continued public utility service.

2. A public hearing shall be held to consider the surplus declaration for the subject parcel. Notice of said hearing shall be published in the city's official newspaper and mailed to all property owners within 500 feet of the subject parcel not less than 10 days nor more than 25 days prior to the hearing.

Attachment A

B. Following the public hearing, the council shall determine whether the subject parcel shall be declared surplus. Any declaration of surplus property shall be made by resolution. The resolution shall also make the following determinations:

1. Whether the subject parcel should be sold by sealed bid, at auction, or through negotiated sale;
2. Whether special covenants or restrictions should be imposed as a condition of the sale; and
3. The minimum acceptable price, in accordance with SMC 3.55.010(B) and 3.55.012. [Ord. 626 § 1, 2012]

3.55.012 Sale procedure.

The following procedures and requirements shall apply to the sale of surplus property:

A. Determination of Value/Minimum Acceptable Price.

1. If the city has a sufficient and acceptable appraisal of the subject property, no additional appraisal shall be required.
2. If an acceptable appraisal is not available, the city manager shall obtain:
 - a. Limited opinion of value for properties under \$25,000;
 - b. Short form appraisal report for properties under \$50,000; or
 - c. Full narrative appraisal report.

B. Sale by Bid or Auction. In the event the subject parcel is to be disposed of by sealed bid or by auction, the following notification procedures shall be followed:

1. A notice of the city's intent to dispose of the subject parcel shall be conspicuously posted on the property no less than two weeks prior to the date set for the close of bids or the date set for the auction.
2. Notice shall be published in the city's official newspaper at least once each week for three consecutive weeks preceding the deadline for the submittal of sealed bids or the public auction. All notices shall include a description of the subject parcel, the procedure by which the subject parcel is to be disposed of, any earnest money deposits which must be made and the minimum price that will be accepted.

Attachment A

C. Negotiated Sale. If the subject parcel can only be put to its highest and best use when aggregated with an abutter's property because of its size, shape, topography, or other restriction, the subject parcel may be negotiated for sale to the abutter, provided:

1. The abutter is willing to purchase for the fair market value of the subject parcel as determined under subsection A of this section;
2. If more than one qualifying abutter expresses interest in purchasing the subject parcel, the city council may solicit sealed bids from all; and
3. A person shall not be deemed to be an abutter if a right-of-way separates his property from the subject parcel unless purchase will allow a higher and better use of the abutter's property.

D. Earnest Money/Time to Closing.

1. Disposition by Sealed Bid or Auction. Where a subject parcel is sold by sealed bids or auction, any and all bids submitted must be accompanied by a bid deposit in the form of a cashier's check payable to the city of Shoreline in the amount of five percent of the bid or \$5,000, whichever is greater. Such deposit accompanying the successful bid shall be deposited into an administrative trust account until closing on the purchase of the parcel and payment of the remaining amount of the purchase price shall be made within 30 days. In the event the purchaser is unable to pay the remaining amount within the required time, the earnest money deposit shall become nonrefundable as liquidated damages; provided, however, that the purchaser may deposit an additional \$5,000 extension fee, in which case the time to make full payment shall be extended for an additional 30 days. In the event full payment is not made by the conclusion of the additional period, all deposits shall be retained as liquidated damages for lost time and expense. The city council reserves the right to waive any irregularities in the bid process.

2. Disposition by Negotiated Sale. Where property is sold by negotiated sale, the purchaser shall deposit earnest money into escrow in the amount of \$5,000 or five percent, whichever is greater, within three business days of execution of a purchase and sale agreement for the purchase of the subject parcel. Earnest money forfeitures and sale extensions under subsection (D) (1) of this section shall apply.

E. Form of Conveyance. All conveyances shall be made by quitclaim deed.

Attachment A

F. Closing Costs. All closing costs, exclusive of deed preparation, shall be borne by the purchaser including, but not limited to, survey work, title insurance if desired, recording costs, and escrow fees if applicable. [Ord. 626 § 1, 2012]

3.55.013 Exemptions from requirements of chapter.

The city manager may administratively approve the release of an easement or termination of a lease agreement upon determination by the city manager that the easement or lease is no longer needed for existing or future needs of the city. A memorandum detailing these findings shall be provided to the city council 30 days prior to release. [Ord. 677 § 2, 2013]

RESOLUTION NO. 411

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, DECLARING CERTAIN CITY-OWNED REAL PROPERTY SURPLUS LOCATED AT 1206 N. 185TH STREET (SHORELINE POLICE STATION), TAX PARCEL 164350-0085 AND AUTHORIZING SALE OF THE REAL PROPERTY AS PROVIDED IN SHORELINE MUNICIPAL CODE, CHAPTER 3.55.

WHEREAS, Shoreline Municipal Code (SMC) Chapter 3.55 authorizes the City to dispose of real property surplus to the current of future needs of the City and where the disposition would afford the City a reasonable return from the sale; and

WHEREAS, the City acquired real property located at 1206 N. 185th Street, Shoreline, Washington, Tax Parcel 164350-0085, in 1996; and

WHEREAS, the real property has been utilized as the Shoreline Police Station since this time; and

WHEREAS, the City Council has authorized the construction of a new Shoreline Police Station located at the City Hall Campus; and

WHEREAS, an appraisal report was prepared for the real property which estimated an “As Is” market value of the property in July 2016 as \$2.1 million; this value was confirmed by a market survey completed in April 2017; and

WHEREAS, real property may be declared surplus by the City Council if all of the procedures in SMC 3.55.011(A) have been completed; and

WHEREAS, a staff report has been provided to the City Council with the information mandated by SMC 3.55.011(A)(1); and

WHEREAS, the public hearing required by SMC 3.55.011(A)(2) was held on May 22, 2017 after proper notice;

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

Section 1. Declaration of Surplus Real Property. The City Council has determined that the real property located at 1206 N. 185th Street, Shoreline, Washington, Tax Parcel 164350-0085, is not currently needed by the City nor will it be needed in the future and that the City will attain a reasonable return from its sale. Therefore, the City Council declares this real property surplus.

Section 2. Authorization to Sell and Dispose of Surplus Real Property. The City Manager is hereby authorized to sell and dispose of the surplus real property by Sealed Bid as provided in SMC 3.55.011(B)(1) and subject to the procedures and requirements set forth in SMC 3.55.012.

Section 3. Minimum Acceptable Price. As provided in SMC 3.55.011(B)(3), the City Council established the following minimum acceptable price: US \$2.1 million.

ADOPTED BY THE CITY COUNCIL ON MAY 22, 2017.

Christopher Roberts, Mayor

ATTEST:

Jessica Simulcik Smith, City Clerk

APPRAISAL REPORT

Property Type:

Redevelopment site: Interim use police station.

Located at:

1206 N 185th St
Shoreline WA



Prepared For:

City of Shoreline
17500 Midvale Ave N
Shoreline, WA 98133

Contact:

Dan Eernisse
Economic Development/Real Estate Mgr

Effective Date:

July 25, 2016

Job No.:

S016-140

Prepared By:

Patrick M. Lamb, MAI
WA State General Certified Appraiser
Certification No. 1101646



LAMB HANSON LAMB
APPRAISAL ASSOCIATES, INC.

Letter of Transmittal

August 23, 2016

City of Shoreline
c/o Dan Eernisse, Economic Development/Real Estate Mgr
17500 Midvale Ave N
Shoreline, WA 98133

RE: Redevelopment Site: Interim Use police station located at 1206 N 185th St, Shoreline WA.

Dear Mr. Eernisse,

As requested, we have personally inspected and appraised the above-mentioned property, more particularly described in detail within the following appraisal report. The purpose of this report is to provide an opinion of the "As Is" market value. The value indication "As Is" reflects the state of the property in the condition observed upon inspection. This is also how the site physically and legally exists without hypothetical conditions, special assumptions, or qualifications as of the effective date the appraisal is prepared.

In the "As Is" state, the subject is improved with a single story, class C, masonry wall, interim use police station with 5,481 SF of Gross Building Area (GBA), originally built in 1958. The underlying site is zoned Town Center-2 with 30,451 SF (0.70 acres) of land on a single parcel.

In analyzing the highest and best use of the subject, it was concluded that the value of the underlying land "as vacant" exceeds the value of the property "as improved." Thus, the building is at the end of its economic life, regardless of the remaining physical life in the structure. As such, the final conclusion of the value is equal to the underlying land value, less demolition expenses. The site would likely be redeveloped into a mixed-use development.

The final opinion of the "As Is" market value of the subject property as of the effective date, July 25, 2016, is displayed below:

Final Value Conclusion			
Method of Value	Site Size (SF)	\$/SF	\$ Indication
Direct Land Sales Approach	30,451	\$70.79	\$2,155,583
Less Demolition Cost			\$37,654
Value Indication, Rounded			\$2,100,000

Special Note: According to the client, the city of Shoreline Department of transportation is in the process of performing a partial acquisition of a 10 foot strip along N 185th St. The total take will include 1,750 SF, to expand the street improvements. The net result of the take will leave a remainder of 28,701 SF, with no apparent impact on the existing use or highest and best use.

The typical methodology to determine the diminution in value resulting from a partial take is to (1) express the fair market value of the subject property in the “Retrospective” before situation prior to the take (which we have performed); (2) express the fair market value of the subject in the “Hypothetical” after situation, assuming the acquisition is completed (which has not performed); and (3) allocate the damages and/or special benefits, if any, to the remaining real property and property rights. The diminution in value is determined by the mathematical difference between the market value in the before and after states. However, the client did not request this analysis in establishing the purpose of this report.

The appraisal analyzes real property components and fixtures that are typically included in the transfer of like kind property. The report does not include items of equipment, stock, inventory, tools, furniture, or any other items, movable or immovable, of a personal nature. To the best of our ability and knowledge, this appraisal was done according to the appropriate guidelines set forth in Standards 1 and 2 of the Uniform Standards of Professional Appraisal Practices (USPAP), as well as the Code of Professional Ethics of the Appraisal Institute.

To the best of our ability and knowledge, this appraisal was done according to the appropriate guidelines set forth in Standards 1 and 2 of the Uniform Standards of Professional Appraisal

If you have any questions or require additional information at this time, please do not hesitate to contact us. Your attention is directed to the following pages of data and analysis from which, in part, the above value conclusion was derived. Thank you for the opportunity to be of service.

Very Truly Yours;



Patrick M. Lamb, MAI
WA State General Certified Appraiser
Certification No. 1101646

Phone: (206) 838-1216
E-Mail: plamb@lambhansonlamb.com



Market Survey

April 24, 2017

City of Shoreline
17500 Midvale Ave N
Shoreline, WA 98133
c/o Dan Eernisse,
Economic Development/Real Estate Mgr
(206) 391-8473
deernisse@shorelinewa.gov

Re: Market survey regarding Shoreline Police Station at 1206 N. 185th St, Shoreline WA, 98133

Dear Mr. Eernisse,

We initially appraised the Shoreline Police Station at 1206 N. 185th St, Shoreline WA, 98133 (Job# S017-140), on July 25th, 2016. The final opinion of value, including demolition, cost was \$2,100,000, (\$68.96/SF).

At the client's request, we have performed a current market survey of new transactions occurring since the prior effective date. This search included sites ranging in size from 10,000 SF to 60,000 SF with similar mixed use zoning, located within a 3 mile radius of the subject.

Based on these search parameters, we were able to identify one new closed sale, two pending sales and four active listings, as summarized below:

No.	Address	Zoning	Sales Date	Site Area (SF)	Sale/ List Price	\$/SF
1	19237 Aurora Ave N, Shoreline, WA	MB	Sold (REO Sale)	41,948	\$1,882,935	\$44.89
2	17900 Linden Ave, Shoreline, WA	TC2	Pending	36,503	\$3,000,000	\$82.19
3	17000 Aurora Ave N, Shoreline, WA	MB	Pending	25,304	\$2,250,000	\$88.92
4	XXX 19th Ave NE, Shoreline, WA	CB	Active	33,802	\$1,775,000	\$52.51
5	16748 N Aurora Ave N, Shoreline, WA	MB/TC	Active	46,822	\$2,400,000	\$51.26
6	17735 15th Ave NE, Shoreline, WA	CB	Active	19,166	\$1,350,000	\$70.44
7	19425 Aurora Ave N, Shoreline, WA	MB	Active	40,946	\$2,300,000	\$56.17

In sum, we examined one new closed sale, however it was a bank-owned REO property that sold below market. The two new pending sales were previously actively listed in the prior report. The brokers were unable to reveal the pending price of both comparables as they have not yet officially closed. Also, of the four active listings, one was included in the prior report while the other three are new. Based on the survey results, the evidence above does not lead us to change our prior opinion of value.

If you have any questions or require additional information at this time, please do not hesitate to contact us. Your attention is directed to the contact information below. Thank you for the opportunity to be of service.

Very Truly Yours;



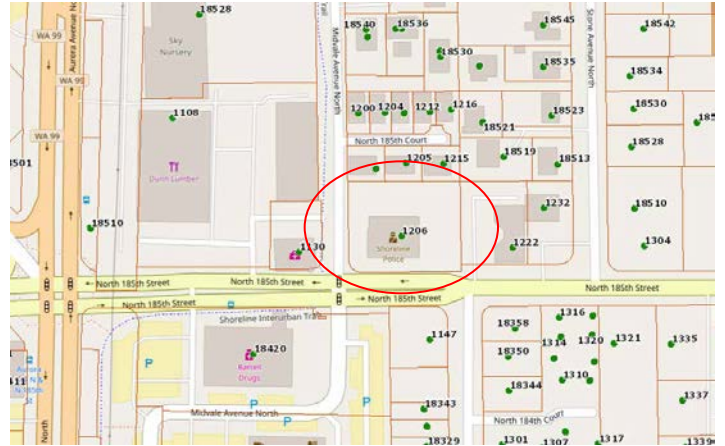
Patrick M. Lamb, MAI,
WA State General Certified Appraiser
Certification No. 1101646

Phone: (206) 838-1216

E-Mail: plamb@lambhansonlamb.com

The City of Shoreline Notice of Public Hearing of the City Council

Description of Proposal: The City Council of the City of Shoreline will hold a Public Hearing during a regular meeting of the City Council on Monday, May 22, 2017 at 7:20 p.m. in the Council Chamber at Shoreline City Hall, 17500 Midvale Avenue N., Shoreline, WA 98133 for the purpose of gathering public input as the City Council considers designating as surplus the property located at 1206 N 185th St, Shoreline, WA 98133, Parcel No. 1643500085. The property is currently the Shoreline Police Station, but it will be vacated in early 2018 when the Police Station at City Hall Project is complete.



This may be your only opportunity to submit written comments. Written comments must be received at the address listed below before **5:00 p.m. May 22, 2017**. Please mail, fax (206) 546-2200, or deliver comments to the City of Shoreline, Attn: Dan Eernisse, 17500 Midvale Avenue N, Shoreline, WA 98133 or email to deernisse@shorelinewa.gov.

Interested persons are encouraged to provide oral and/or written comments regarding the above property at an open record public hearing. The hearing is scheduled for **Monday, May 22, 2017 at 7:20 p.m.** in the Council Chamber at City Hall, 17500 Midvale Avenue N, Shoreline, WA.

Questions or More Information: Please contact Dan Eernisse, Real Estate Manager, at (206) 801-2218 or at deernisse@shorelinewa.gov.

Any person requiring a disability accommodation should contact the City Clerk at (206) 801-2230 in advance for more information. For TTY telephone service call (206) 546-0457. Each request will be considered individually according to the type of request, the availability of resources, and the financial ability of the City to provide the requested services or equipment.



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

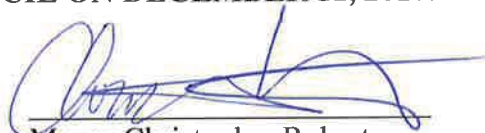
WHEREAS, the City Council has determined that utilizing a licensed real estate broker for the disposition of the surplus Police Station real property will facilitate and realize a greater return for the City;

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

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