



City of Seattle City Light Department

DEPARTMENT POLICY & PROCEDURE

Subject	Number
DISPOSITION OF SURPLUS PROPERTY	<u>500 P III-802</u>
	Effective 1-31-79
	Supersedes 4/29/74

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	City Light				

1.0 PURPOSE

To provide a uniform guide for those within the Lighting Department who will deal in the disposal of surplus real property belonging to the Department.

2.0 ORGANIZATION AFFECTED

2.1 The Department of Lighting.

3.0 REFERENCES

3.1 The Charter of the City of Seattle: Article IV, Section 14

3.2 State Constitution: Article 8, Section 7

3.3 State Accountancy Act: RCW 43.09.210

4.0 POLICY

4.1 It shall be the policy of the Department of Lighting to dispose of surplus properties in accordance with federal, state and local laws and to obtain a fair market value for the disposition of such properties.

- 4.2 No real property shall be disposed of without the review of all division directors to determine if the Department of Lighting may have a present or future use for the property.
- 4.3 The Lighting Department (i.e., the Superintendent) has the authority to request the appropriate City agencies/offices to pass appropriate legislation for the disposition of surplus fee-owned properties.

5.0 DEFINITIONS

- 5.1 Surplus Property – That fee-owned real property under the jurisdiction of the Department of Lighting determined to be surplus to the present and future needs of the Department of Lighting.
- 5.2 Transfer of Jurisdiction Ordinance (TJO) – An ordinance transferring jurisdiction of real property from one City department to another.
- 5.3 Property Manager – The manager of the Property Management Section of the Administrative Services Division of the Department of Lighting.

6.0 RESPONSIBILITIES:

- 6.1 The responsibilities for the Property Management Section of the Administrative Services Division include:
 - 6.1.1 The disposal of surplus fee-owned properties in accordance with this policy.
 - 6.1.2 To have each surplus property disposal reviewed in conformance with this policy.
 - 6.1.3 Reviewing all appraisals used to establish the value of the surplus property for accuracy and to adjust the appraisals, if necessary, to reflect the true market value.
 - 6.1.4 The Property Manager shall make recommendations for the sale of surplus property to the Superintendent in accordance with this policy and procedure.

- 6.1.5 Assuring that surplus properties are advertised when necessary.
- 6.1.6 The Property Manager shall receive and coordinate all Recommendations to dispose of surplus property.
- 6.1.7 The Property Manager shall be responsible for notifying the appropriate City officer/office of surplus property
- 6.1.8 The Property Manager shall be responsible for adhering to the recommendations of the appropriate City officer/office.
- 6.1.9 Negotiating sales of property on behalf of the Lighting Department.
- 6.2 All division directors and the Assistant Superintendent shall review and approve all proposals for disposal of any surplus property.
- 6.3 All disposals of surplus property shall be approved by the Superintendent of Lighting.
- 6.4 The Property Manager shall receive and coordinate all requests and recommendations to dispose of surplus property.
- 6.5 The Property Manager shall be responsible for circulating surplus property and adhering to the recommendations of the appropriate City officer/office.
- 6.6 The Finance Division shall be responsible for billing for all fees and/or payments due in connection with the disposition of surplus properties.
- 6.7 The Credit Unit of System Support Division shall be responsible for collection of all delinquent fees and/or payments due in connection with the disposition of surplus properties.
- 6.8 The Office of Environmental Affairs shall be responsible for complying with State Environmental Policy Act requirements where applicable.

7.0 PROCEDURES

- 7.1 The Property Management will circulate proposals for surplus property within the Department of Lighting for proper review and approval in accordance with this policy.
- 7.2 The Property Manager will circulate surplus properties notification to the appropriate City officer/office for review and approval of the disposition in accordance with this policy.
- 7.3 The Property Manager will use the following, prioritized in this order as a guideline in recommending the purchaser of a surplus property:
 - 7.3.1 Recommendation of the appropriate City officer and/or office;
 - 7.3.2 Another City department by TJO;
 - 7.3.3 Another Governmental agency;
 - 7.3.4 A private party by negotiated sale only under the following conditions:
 - a. The property cannot be developed under current zoning regulations and the abutter(s) has/have requested to purchase the property and all abutters agree;
 - b. The property is totally landlocked and the abutter (s) has/have requested to purchase the property and all abutters agree;
 - c. When there are additional benefits to the Department of Lighting and/or the City other than the monetary consideration for the property.
 - 7.3.5 General public through bid procedures. This includes all properties, including those in section 7.3.4, when the abutting owner (s) do not agree on the purchase terms and conditions.
 - 7.3.6 The Property Manager shall use the priorities set forth in this section (7.3) as guidelines only and shall revise said properties at the direction of the appropriate City officer and/or office; provided, however, that all sales

to other departments and governmental agencies or the public will be at the approval appraised value in accordance with RCW 43.09.210.

- 7.4 If the sale is to another City department, the sale shall be by a transfer of jurisdiction ordinance.
- 7.5 If the surplus property is to be sold on contract, the contract terms and conditions will be recommended by the Property Manager based on the following criteria:
 - 7.5.1 A maximum term of 10 years, provided that, for sales of substantial value, the Property Manager may, with the concurrence of the Finance Director, establish a longer term.
 - 7.5.2 A minimum down payment of 20 percent.
 - 7.5.3 An interest rate based on current market rates.
 - 7.5.4 A minimum total sales price of \$5,000.
- 7.6 If the surplus property is sold by public bid, the Property Manager will follow the following guidelines:
 - 7.6.1 The sale will be advertised in the official City newspaper a minimum of 20 days prior to bid opening date
 - 7.6.2 Bids will be sealed bids.
 - 7.6.3 The minimum bids will be established at the approved appraised value.
 - 7.6.4 After the bids are opened, the Property Manager will evaluate them and make recommendations to the Superintendent of Lighting, using the following guidelines:
 - a. The total amount of the bid will be the deciding factor in recommending the winning bid; provided, however, if after a review of credit the high bidder is determined to be unqualified, the second high bid will be considered.

- b. If the total amounts of more than one bid are identical, a cash offer shall have priority over an offer to purchase by contract.
- c. If a bidder submits more than one bid, only the highest bid will be considered.
- d. If the bids of two or more bidders are identical, and highest, a drawing shall be held at the appropriate City office to determine the winning bid. All bidders with the identical high bid shall be notified in advance of the drawing time and place.
- e. Bids with conditions other than those set forth in the advertised “Invitation for Bids” shall not be considered unless no bids are received without altering conditions or such altering conditions are deemed to not significantly change the terms as set forth in the invitation for bids.

8.0 APPENDIX:

8.1 Distribution: General.

paid at the rate