

**RESOLUTION NO. 23-053**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORT TOWNSEND,  
WASHINGTON, DECLARING PROPERTY TO BE SURPLUS TO THE CITY'S NEEDS  
AND AUTHORIZING THE CITY MANAGER TO DISPOSE OF THE PROPERTY**

**WHEREAS**, the City of Port Townsend ("City") owns vacant property located in the 100 block of Cherry Street (Portions of Tax Parcel 001024075) ; and,

**WHEREAS**, the City Council, in Resolution 09-035, designated this property as being suitable for affordable housing purposes under Chapter 3.44 of the Port Townsend Municipal Code ("PTMC"). This Resolution was modified by Resolution 10-024, which added two properties to the inventory and imposed a requirement that units constructed on all properties so designated remain affordable for at least 40 years; and,

**WHEREAS**, Resolution 11-018 directed the City Manager to "work with owners and possibly providers to reconfigure Cherry Street to establish buildable lots for affordable housing, subject to final Council approval on agreements and configuration"; and,

**WHEREAS**, in Resolution 17-021, the City Council declared the property surplus and directed the City Manager to sell the property for a nominal sum to Homeward Bound dba Olympic Housing Trust who would develop the site, together with an existing apartment building moved onto the site, into affordable housing for lower income persons; and

**WHEREAS**, Homeward Bound was unable to complete the project and returned the property to the City; and

**WHEREAS**, the City has been unable to locate another affordable housing provider to complete the project; and

**WHEREAS**, PTMC 3.44.030, 3.44.040, and 3.44.050 set forth the process for declaring property designated as suitable for affordable housing purposes as surplus and, if declared surplus, for disposition of that property; and,

**WHEREAS**, as required by PTMC 3.44.040, the City issued a notice of a public hearing on the proposal to surplus the property, which hearing was conducted on November 6, 2023.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Port Townsend as follows:

Section 1. Having conducted a public hearing as required by PTMC 3.44.040, the Council adopts the following findings and conclusions based on the non-exclusive criteria in PTMC 3.44.030.

**Findings:**

1. The property is identified in the City's Non-Motorized Transportation Plan as having a pedestrian shortcut along the west boundary. Because that part of the property is covered in vegetation, no existing path exists there. Utilities on the property are noted as part of the inventory in the Water Systems Plan and the Wastewater Comprehensive Plan, but the property has not otherwise been identified in any other comprehensive or functional plan. (Criteria 3.44.030A(3)(a)).

2. The City Manager and City department heads have reviewed the property and state that, subject to retaining easements for access and utilities, the property is not needed for transportation, utility, stormwater, habitat, open space and recreation, or other city purpose. (Criteria 3.44.030A(3)(b)).

3. The only restraint on the property is that Resolution 05-039 states that net proceeds from the sale of the property are designated for the golf course capital improvement program. (Criteria 3.44.030A(3)(c)).

4. The Council finds that the net future value of the property is not greater than would be reasonably expected through fund returns (Criteria 3.44.030A(3)(d)).

5. The Council finds that return on investment would be not greater through management of the property as opposed to disposing of it as proposed (Criteria 3.44.030A(3)(e)).

6. Assuming a for-profit buyer, the City can anticipate greater tax revenue if the property is returned to the property tax rolls and developed (3.44.030A(3)(f)).

7. Council has previously designated this property as being suitable for affordable housing purposes (Resolution 09-035) and has previously directed the City Manager to work with owners and providers to configure the property for affordable housing. The City Manager has been unable to locate a suitable housing provider; therefore, the Council determines that this property is not suitable for affordable housing at this time. (Criteria 3.44.030A(4)).

8. The City published notice of the public hearing on October 25, 2023, which complies with the notice requirements of PTMC 3.44.040B and C.

9. Based on information from a qualified appraiser, the estimated fair market value of the property is between \$600,000 and \$700,000.

10. The City Manager recommends that Council declare this property as surplus.

**Conclusions:**

1. PTMC 3.44.030A(3) states that the criteria are non-exclusive. Therefore, Council concludes that it can weigh certain criteria more favorably than others, and that the proposal does not have to meet all the criteria for Council to approve it.

2. Based on Finding 1, Council concludes that the absence of a current path through the property means that the "shortcut" identified in the Non-Motorized Plan is not critical to the

City's trail system.

3. Based on Finding 2, Council concludes that, provided easements remain in place for existing and reasonably-anticipated access and utilities, the property is not needed for any City purpose.

4. Based on Findings 3, 4, 5 and 6, Council concludes that the financial implication of surplus of the property and disposing of it could increase the City's anticipated budget. The property does not produce income now, and the possible benefit of a market-rate sale would free up money for other affordable housing projects.

5. Based on all the adopted Findings, Council concludes that there is no potential future use or other compelling reason to retain this property.

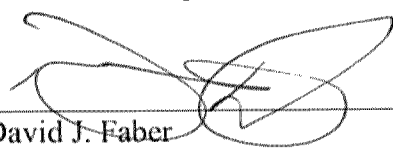
6. PTMC 3.44.040E requires that the City Council state the terms and conditions for the actual disposition of the property. It further states that "the property shall not be sold for less than the property's appraised value.

Section 2. Based on the Findings and Conclusions set out in this Resolution, the City Council declares that the City-owned property located in the 100 block of Cherry Street (Portions of Tax Parcels 001024075 is surplus to the City's needs.

Section 3. As provided for in PTMC 3.44.050B, the City Manager is authorized and directed to dispose of the property by sale for fair market value. The disposal shall retain easements for public utilities over the property.

Section 4. Council further directs that proceeds from any sale be used for the provision of affordable housing at the City's Evans Vista property or to pay down the bond the City sold for the Cherry Street project.


**ADOPTED** by the City Council of the City of Port Townsend at a special meeting thereof, held this 6th day of November 2023.

  
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David J. Faber  
Mayor

**Attest:**

  
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Alyssa Rodrigues  
City Clerk

**Approved as to form:**

  
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Heidi Greenwood  
City Attorney