



# Arlington Airport Commission Agenda Bill

Item C:

November 8, 2016	
SUBJECT:	
Commission recommendation to City Council to approve the Surplus Property Resolution for the Sale of the "Tri-B" buildings.	
ATTACHMENTS:	
Memo, Commission Recommendation, Surplus Property Resolution, and Exhibit	
DEPARTMENT OF ORIGIN	
Airport	
EXPENDITURES REQUESTED:	Legal
BUDGET CATEGORY:	Professional Services
LEGAL REVIEW:	Yes
DESCRIPTION:	
This resolution allows the City Council to "surplus" the "Tri B" buildings formerly owned by Mr. Bob Manning (Lots 77 and 78A.)	
HISTORY:	
<p>These buildings were acquired by the City of Arlington through a lien on the property after Mr. Manning's death. There were numerous other liens on the property as well. The City Attorney has resolved these lien issues. The sale of these buildings has been discussed with the Commissioners in the past. The main reason to surplus this property is that the airport and City do not have the staff or the capital to restore these buildings to decent condition. Airport staff have created a Request for Proposals (RFP) for these properties to be sold singly or together.</p>	
ALTERNATIVES	
<p>Approve Staff's Recommendation and approve the recommendation for the Resolution to City Council</p> <p>Deny Staff's Recommendation</p> <p>Table Staff's Recommendation</p>	
RECOMMENDED MOTION:	
I move to approve the recommendation to the City Council to declare the Tri-B buildings as surplus and authorize their sale or disposition.	



# MEMO

## City of Arlington

### Airport

To: Airport Commission  
From: David M. Ryan, C.M., Airport Director  
Date: November 2, 2016  
Subject: Informational Items

#### ISSUE: Resolution to Surplus Buildings

BACKGROUND: In 2012, the City of Arlington took possession of several buildings owned by Robert Manning. The City was granted possession due to the fact that Mr. Manning passed away and was heavily in debt to the City of Arlington and other creditors. There were several liens on the properties including the City of Arlington, the IRS and several lending institutions. The City Attorney has since cleared all liens on the property.

The request is for the Airport Commission to recommend to the City Council that they approve a resolution to “surplus” these buildings. (Only the City Council has the authority to surplus City property.)

These buildings were and are in a state of disrepair. Although the airport made substantial repairs to Building 77B (roof, siding, doors and windows). The other two buildings, the lots and landscaping on all buildings are in very poor condition. In addition, they have not been hooked up to the newly installed sanitary sewer main line. All three buildings (77a, 77B and 78A) are currently occupied and are charged a minimal rate due to the condition of the buildings.

Due to limited maintenance staff at the airport, and because of the capital outlay required to bring these buildings and grounds up to standard, airport staff developed a Request for Proposals (RFP) to sell these buildings either individually or together in order help our ongoing efforts to improve the appearance of the Airport Industrial Park. (The airport will maintain ownership of the land and will continue to derive land lease revenue from the property.) So, in addition to receiving land use revenue, we will also gain a sizeable amount of money for the sale as well as the new owner requirements to bring the property into an acceptable condition.

RECOMMENDATION NO. 2016-2

A RECOMMENDATION to the ARLINGTON CITY COUNCIL REQUESTING the CITY COUNCIL DECLARE CERTAIN PROPERTIES AS SURPLUS

WHEREAS, the Arlington Municipal Airport has three buildings known collectively as the "TRI\_B" buildings; and

WHEREAS, the buildings and grounds are in generally poor physical condition and require substantial repairs; and

WHEREAS, the Airport Commission believes substantial improvements will be required in the near future which will drain airport resources; and

WHEREAS, the cost of renovating the buildings and bringing them up to current code is so great that based upon an appraisal and consideration of comparable building leases, the Airport Commission has determined that renovating the buildings is not economically feasible; and

WHEREAS, the Airport Commission deems the most economical approach is to sell the buildings in their present condition to a private buyer willing to improve the buildings;

NOW, THEREFORE, the Airport Commission do hereby recommend the following:

1. That the Arlington City Council declare the buildings 77a, 77B and 78, located at 19221 59th Drive NE, and 6001 192<sup>nd</sup> St. NE, Arlington, WA to be surplus to the City's needs.
2. Pursuant to AMC 3.70.020, the buildings may be sold pursuant at private sale or disposed of in a manner determined by city staff to be the most cost effective.

Airport Commission Chairperson: \_\_\_\_\_

Don Munson

Date: \_\_\_\_\_



# Arlington Municipal Airport

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18204 59<sup>th</sup> Avenue    Arlington, WA 98223

**REQUEST FOR PROPOSAL (RFP)**  
**PURCHASE AND RENOVATION OF BUILDINGS AND GROUNDS**  
**(LOTS 77 A&B AND BUILDING ON LOT 78)**

**CITY OF ARLINGTON, ARLINGTON MUNICIPAL AIRPORT**  
**18204 59<sup>TH</sup> DR. NE**  
**ARLINGTON, WA 98223**

**DATE**

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**\*Appendix (includes all appraisals, detailed information on all buildings, methodology and photographs of each structure.)**

## **SUMMARY AND BACKGROUND**

The City of Arlington and the Arlington Municipal Airport are seeking Requests for Proposals (RFP's) for the purchase of three buildings, either singly, or as a group, that are owned by the City of Arlington Airport and are located on land owned by the Arlington Municipal Airport at the Airport Industrial Park. This sale is for the buildings only. The land will be leased from the Arlington Municipal Airport on an annual basis at Fair Market Value (FMV) as determined by the appraisal conducted every five years and required by the Federal Aviation Administration and Airport Grant Assurances. The City of Arlington was deeded the airport by the Navy in 1959 and is considered "Surplus Property" by the Federal Aviation Administration (FAA). The City's ownership of the land is predicated on complying with FAA Grant Assurances and require the City and the Airport to follow certain guidelines in leasing property.

The buildings are in varying stages of disrepair and the City simply does not have the manpower or resources to maintain these structures. The object of all proposals should be to illustrate how your firm will return these buildings and grounds into an aesthetically pleasing addition to the Industrial Park. Some of the items to be restored include roofing, siding, windows, HVAC, pavement and landscaping. Included in the appendix of this document is a recent and detailed appraisal of all three buildings and their "as is" value according to the appraiser. The city is willing to entertain major repairs in consideration of the sale price of the building. Later in this RFP, we will detail each building and what the City is looking for in a completed sale and lease.

## **1. PROPOSAL GUIDELINES**

This Request for Proposal represents the requirements for an open and competitive process. Proposals will be accepted until \_\_\_\_\_ PST \_\_\_\_\_, 2016. Any proposals received after this date and time will be returned to the sender. All proposals must be signed by an official agent or representative of the company submitting the proposal.

Proposals for the purchase of these buildings will be judged based on the criteria described in Section 8

All proposals must include a detailed description of all repairs, upgrades and landscaping proposed to be undertaken including estimated costs.

Contract terms and conditions will be negotiated upon selection of the winning bidder for this RFP. All contractual terms and conditions will be subject to review by the City Attorney and approval by the Airport Commission and/or City Council and will include scope, budget, schedule, and other necessary items pertaining to the project.

## **2. PROJECT PURPOSE AND DESCRIPTION**

**The purpose of this project is as follows:**

Some buildings and property at the Airport Industrial Park have fallen into disrepair. Two of these buildings need major re-construction. One of the purposes of this RFP is to return these buildings to good condition and to make this now obsolete and unattractive site into a clean and modern industrial facility. The timeline to complete these renovations is two years.

## **Project Description:**

The project consists of three buildings to be purchased and renovated singly or as a group.

**Building 77A** (currently rented by PNP Mfg.) is improved with a 12,400 SF Manufacturing/Storage warehouse structure built in 1977. The metal clad building has overall dimensions of 124'x100' with a wall height of 16.' The structure is in poor condition. All utilities except sanitary sewer are developed.

**Building 77B** (Currently leased by Sound Auto and Arlington Auto Recyclers) is a 7,600 SF manufacturing / storage warehouse structure built in 1977. The metal clad building has overall dimensions of 76' x 100.' The building is a wood framed metal clad building occupied by service uses.

**Building 78 A** (Currently occupied by Anderson Precision Welding, Sound Auto and the City's police impound facility) is improved with a 10,360 SF manufacturing / storage warehouse structure built in 1978. The metal clad wood framed building has overall dimensions of 56' x 185'. The northerly 167' has a wall height of 16' and the southern 18' is a one story office with a wall height of 8'.

## **3. PROJECT SCOPE**

### **Building 77A**

This structure will need extensive roof construction and siding replacement and will need to be hooked up to the newly installed sanitary sewer service the City recently constructed for these structures. The interior as well as the exterior is in poor condition and will require extensive remodeling to bring it up to good condition. This is the largest of the three buildings being offered and is in the worst condition. All buildings will be required to have hard surface paving installed and adequate storm water infiltration systems as well as landscaping on those areas visible to the public along 59<sup>th</sup> Ave and 192<sup>nd</sup> Street. The "as is" appraisal for this building is \$275,000.00 (See the appraisal in the appendix for complete details.)

### **Building 77B**

This structure is in the best shape of the three with a new roof, siding and windows installed in 2013. The interior of the structure is in fair condition, but would still require some remodeling, lighting, electrical and HVAC improvements. This structure will also be required to be hooked up to the new sanitary sewer main line. All buildings will be required to have hard surface paving installed and adequate storm water infiltration systems as well as landscaping on those areas visible to the public along 59<sup>th</sup> Ave and 192<sup>nd</sup> Street. The "as is"

appraisal for this building is \$330,000.00 (See the appraisal in the appendix for complete details.)

**Building 78A**

The structure is in poor condition and will require new roof, siding, windows and doors, utility upgrades and interior upgrades including interior wall repairs/replacement, and lighting. This building will also require hook up to the new sanitary system installed by the City for these buildings. All buildings will be required to have hard surface paving installed and adequate storm water infiltration systems as well as landscaping on those areas visible to the public along 59<sup>th</sup> Ave and 192<sup>nd</sup> Street. The “as is” appraisal for this building is \$250,000.00 (See the appraisal in the appendix for complete details.)

**Expectation:**

The finished results of the purchase and renovation of these buildings will be three utilitarian but attractive metal clad buildings with upgraded utilities, hard surface paving, drainage systems, landscaping and color schemes that should be a showcase to the airport’s industrial park. Design considerations may also include facades, wainscotings or similar design features to make the buildings more appealing.

**4. REQUEST FOR PROPOSAL AND PROJECT TIMELINE**

**Request for Proposal Timeline:**

All proposals in response to this RFP are due no later than \_\_\_\_\_PST \_\_\_\_\_, 2016.

Evaluation of proposals will be conducted from \_\_\_\_\_, 2016 until \_\_\_\_\_, 2016. If additional information or discussions are needed with any bidders during this two week window, the bidder(s) will be notified.

The selection decision for the winning bidder will be made no later than \_\_\_\_\_, 2016.

Upon notification, the contract negotiation with the winning bidder will begin immediately. Contract negotiations will be completed by \_\_\_\_\_, 2016.

Notifications to bidders who were not selected will be completed by \_\_\_\_\_,2016.

**Project Timeline:**

Project initiation phase must be completed by \_\_\_\_\_, 2016.

Project planning phase must be completed by \_\_\_\_\_, 2016. Project planning phase will determine the timeline/schedule for the remaining phases of the project.

## **5. BUDGET**

All proposals must include proposed estimated costs to complete the tasks described in the project scope. Costs should be stated as one-time or non-recurring costs. The City of Arlington and the Arlington Municipal Airport will consider any reasonable offer for these buildings singly, or as a group. The City of Arlington and the Arlington Municipal Airport will consider 40 year lease terms for the winning bidder(s).

NOTE: All costs and fees must be clearly described in each proposal.

## **6. BIDDER QUALIFICATIONS**

Bidders should provide the following items as part of their proposal for consideration:

- Description of experience in property management/renovation or maintenance.
- Description of similar projects.
- Proof of financial ability to undertake this project.
- Testimonials from past clients.
- Timeframe for completion of the project
- Project management methodology

## **7. PROPOSAL EVALUATION CRITERIA**

The City of Arlington/ Arlington Municipal Airport will evaluate all proposals based on the following criteria. To ensure consideration for this Request for Proposal, your proposal should be complete and include all of the following criteria:

- Financial ability to undertake a project of this scope or the ability to obtain a completion bond or other financial guarantee.
- Organizational Experience: Bidders will be evaluated on their experience as it pertains to the scope of this project
- Previous work: Bidders will be evaluated on examples of their work pertaining to property management and maintenance.
- Testimonials and references
- Bidders will be evaluated on the cost of their proposals in accordance with the scope of this project

Each bidder must submit 3 copies of their proposal to the address below by \_\_\_\_\_, 2016 at 5pm PST:

Arlington Municipal Airport  
Attn: David M. Ryan, Director  
18204 59<sup>th</sup> Dr. NE  
Arlington, WA 98223



77A

77B

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