



City of Tacoma

City Council Action Memorandum

**TO:** Elizabeth A. Pauli, City Manager  
**FROM:** Jeff H. Capell, Hearing Examiner *JHC*  
Ralph K. Rodriguez, LID Administrator, Public Works Engineering Department *RKR*  
**COPY:** City Council and City Clerk  
**SUBJECT:** Ordinance Request No. 25-0235 – LID No. 7731 Formation – April 15, 2025  
**DATE:** March 28, 2025

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**SUMMARY AND PURPOSE:**

An ordinance forming Local Improvement District No. 7731, for the conversion of existing overhead electrical primary, telephone and cable-TV lines to underground along Waterview Street from North 49th Street southeasterly 4,400 feet, more or less, and also along Dale Street from Waterview Street southwesterly 100 feet, more or less (the "LID Area").

**BACKGROUND:**

The Hearing Examiner's recommendation to approve formation of Local Improvement District No. 7731 ("LID 7731" or the "LID") is based on the evidence and testimony presented at a public hearing held on January 13, 2025, as well as property owner written statements submitted attendant to the hearing. LID 7731 proposes to convert the existing overhead electrical primary, telephone and cable-TV lines to underground along Waterview Street from North 49th Street southeasterly 4,400 feet, more or less, also along Dale Street from Waterview Street southwesterly 100 feet, more or less (the "Improvements"). Project costs would mainly be paid for by assessments to the property owners within the LID Area with the rest coming from the City's Public Utilities Department. The January 13, 2025 hearing was held after Council remanded LID 7731 back to Public Works in 2019 to further evaluate and determine whether additional overhead lines should be included in the LID. During the remand period, Public Works evaluated and revised LID 7731 to include additional overhead lines, labeling the addition as Segment 2; however, the level of protest from property owners within Segment 2 rose above 50 percent (approximately 57%). Protest for Segment 1 appeared to be at 46% as of the issuance of the Examiner's recommendation. Based upon the evidence, applicable laws, and the protest levels for each Segment, the Examiner recommends approval of the formation of Segment 1 of proposed LID 7731, and recommends against the formation of Segment 2.

**COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

Notice of the public hearing held on January 13, 2025, was sent to all property owners within the LID Area. At the hearing, property owners were able to attend and express their concerns and voice support for, or opposition to the formation of LID 7731. Several property owners spoke, some in support, and some against formation, as well as to ask clarifying questions to the City's Department of Public Works LID Section representative. Property owners also had the opportunity to send their written comments to the Hearing Examiner's office. As mentioned above, protest for Segment 2 rose above 50 percent and consequently is recommended for omission from the LID. Property owners within the LID Area would benefit from the Improvements through enhanced views and improved neighborhood aesthetic, improved safety, as well as from the option of receiving long-term financing from the City, and from the City's contribution to the LID Improvements.



## 2025 STRATEGIC PRIORITIES:

### Equity and Accessibility:

Impacts of the LID in these areas are minimal, but participation in an LID for the Improvements is positive in that it allows LID residents the ability to join with the City in financing the Improvements to their neighborhood, enhancing views from their properties, and increasing safety through undergrounding.

### Economy/Workforce: *Equity Index Score: Moderate Opportunity*

Increase the number of diverse livable wage jobs.

Increase the number of infrastructure projects and improvements that support existing and new business developments.

### Civic Engagement: *Equity Index Score: Moderate Opportunity*

Increase the percentage of residents who believe they are able to have a positive impact on the community and express trust in the public institutions in Tacoma.

### Livability: *Equity Index Score: Moderate Opportunity*

Improve access and proximity by residents to diverse income levels and race/ethnicity to community facilities, services, infrastructure, and employment.

### Explain how your legislation will affect the selected indicator(s).

The formation of the LID acknowledges the overall support of the property owners to form the LID and supports their opportunity to have direct involvement in public improvements in their neighborhood. Construction of the Improvements will provide employment opportunities as well.

## ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. The Council could approve forming the LID under different terms than those recommended.	Any positive impact arising from varying from the Examiner's recommendation would depend on what those alterations are.	Any variation to the current recommendation could potentially delay the LID formation and construction of the Improvements.
2. The Council could reject formation of the LID. (Segment 2 is recommended for rejection because of the level of protest)	The most positive impacts come from approving the LID formation for Segment 1 via improved views and the added safety of undergrounding.	The most positive impacts come from approving the LID formation, thereby making the Improvements that are supported by the City and a presumed majority of property owners.

## EVALUATION AND FOLLOW UP:

All evaluation and follow up should be coordinated between the appropriate City department and property owners within the LID.



**STAFF/SPONSOR RECOMMENDATION:**

The Hearing Examiner recommends the formation of Segment 1 and rejection of Segment 2 of Local Improvement District No. 7731 as set forth in the Hearing Examiner's Findings of Fact, Conclusions of Law, and Recommendation.

**FISCAL IMPACT:**

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1. 4700 - Power Current Fund Capital	PWR-01257		\$1,415,228.83
<b>TOTAL</b>			<b>\$1,415,228.83</b>

**What Funding is being used to support the expense?**

4700 - Power Current Fund Capital, Contribution in Aid of Construction (LID Assessments), \$1,321,575.65

4700 - Power Current Fund Capital, Utility Contribution, \$93,653.18

**Are the expenditures and revenues planned and budgeted in this biennium's current budget?**

**YES**

Tacoma Power contribution is budgeted within the New Services A&R capital budget.

LID assessments are budgeted at the project level upon adoption of the formation ordinance.

**Are there financial costs or other impacts of not implementing the legislation?**

**No**

**Will the legislation have an ongoing/recurring fiscal impact?**

**No**

**Will the legislation change the City's FTE/personnel counts?**

**No**

Existing staff will design, inspect and maintain the improvements authorized by the Local Improvement District..

**ATTACHMENTS:**

- The Hearing Examiner's City Council Action Memorandum, dated March 28, 2025.
- The Hearing Examiner's Findings of Fact, Conclusions of Law, and Recommendation, issued on February 6, 2025.
- The City's Witness List, Exhibit List, and Exhibits C-1 through C-38 and LID property owner comments.
- Verbatim electronic recording from the hearing held on January 13, 2025.