



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. 25-0516 - LID No. 8668 Formation - June 17, 2025
DATE: May 30, 2025

SUMMARY AND PURPOSE:

An ordinance forming Local Improvement District No. 8668, for the construction of street pavement, with a structural section, curbs, gutters, and storm drainage, on Wapato Street from South 66th Street to South 68th Street and on North 27th Street from Carr Street west to the dead end.

BACKGROUND:

The Hearing Examiner's recommendation to approve the formation of Local Improvement District No. 8668 ("LID 8668" or the "LID") is based on the evidence and testimony presented at a public hearing held on February 10, 2025, as well as property owner written statements submitted attendant to the hearing. LID 8668, comprised of two segments, proposes to construct street pavement, with a structural section, curbs, gutters, and storm drainage on Wapato Street from South 66th Street to South 68th Street [Segment 1] and on North 27th Street from Carr Street west to the dead end [Segment 2] (collectively the "Improvements"). Initially a third segment was proposed for formation as part of the LID; however, after the hearing and issuance of the Examiner's recommendation protest from the property owners within Segment 3 rose above 50 percent resulting in the Examiner revising his recommendation to recommend only formation of Segments 1 and 2 and recommending against the formation of Segment 3.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

Notice of the public hearing held on February 10, 2025, was sent to all property owners within the proposed LID Area. At the hearing, property owners were able to attend and express their concerns and voice support for, or in opposition to, the formation of LID 8668. 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(s). Property owners also had the opportunity to send their written comments to the Hearing Examiner's office. As mentioned above, protests against Segment 3 rose above 50 percent post-hearing (and after initial issuance of the Recommendation) and consequently the Examiner recommends omitting Segment 3 from the LID. Property owners within the remaining LID Area would benefit from the Improvements through improved safety, improved neighborhood aesthetics, as well as from the option of receiving long-term financing from the City, and from the City's contribution to the construction of the 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 Area residents the ability to join with the City in financing the Improvements to their neighborhood, enhancing street safety and neighborhood aesthetics.

Economy/Workforce:

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:

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.

Select an indicator.

Livability:

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

Select an indicator.

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 3 is recommended for rejection because of the level of protest)	The most positive impacts come from approving the LID formation for Segment 1 and 2 via improved street safety and neighborhood aesthetics.	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 in Segments 1 and 2.

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 Segments 1 and 2 and rejection of Segment 3 of Local Improvement District No. 8668 as set forth in the Hearing Examiner's Addendum to Findings of Fact, Conclusions of Law, and Recommendation.



FISCAL IMPACT:

Please provide a short summary of the fiscal impacts associated with the grant, agreement, policy action, or other action.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1060-LID Projects	LID-8668R	5600000	\$867,101
2.			
TOTAL			\$867,101

What Funding is being used to support the expense?

1060-LID Projects, LID assessments, 6398645 - \$373,604

1060-LID Projects, Streets Initiative, 6311108 - \$493,497

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

NO, PLEASE EXPLAIN BELOW

Future LID projects, including the project listed above, are reflected in the City of Tacoma's Capital Facilities Plan, which considers substantial investments that should be made over a six-year horizon and was approved in Ordinance No. 29003. Specific expenses and revenues are listed for LID projects as they begin and progress and receive councilmanic budgetary approval. Upon approval of this recommendation/amendment in this Council Action Memorandum, the specific fiscal impact in the table above will be reflected in the next major budget ordinance

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

NO

There are no financial costs to the city for not adopting the ordinance creating the Local Improvement District.

Will the legislation have an ongoing/recurring fiscal impact?

YES

The new street surface with curb and gutter will require periodic street sweeping.

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 May 30, 2025.
- The Hearing Examiner's Addendum to Findings of Fact, Conclusions of Law, and Recommendation, issued on April 2, 2025.
- The Hearing Examiner's Findings of Fact, Conclusions of Law, and Recommendation, issued on February 24, 2025.
- The City's Witness List, Exhibit List, Exhibits C-1 through C-22, and LID property owner comments.
- Verbatim electronic recording from the hearing held on February 10, 2025.