



TO: Elizabeth A. Pauli, City Manager
FROM: Josh Diekmann, Assistant Division Manager, Public Works
Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer *KDK*
COPY: City Council and City Clerk
SUBJECT: Resolution – Development Mitigation Agreement with Portside 55 North, LLC and
Portside 55 South, LLC – August 14, 2018
DATE: July 23, 2018

SUMMARY:

A resolution authorizing a Development Mitigation Agreement with Portside 55 North, LLC and Portside 55 South, LLC, in the total amount of \$55,545, to be shared equally between the two developers, for roadway improvements on Lincoln Avenue between Taylor Way and Alexander Avenue and on Taylor Way between Lincoln Avenue and State Route 509.

STRATEGIC POLICY PRIORITY:

- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.
- Assure outstanding stewardship of the natural and built environment.

This Development Mitigation Agreement (Agreement) will facilitate the construction of a new warehouse/distribution center within the Port of Tacoma area. Agreements for voluntary mitigation are required by state law to be adopted by Council.

BACKGROUND:

Portside 55 North, LLC and Portside 55 South, LLC, (Developers) are constructing a new warehouse/distribution center within the Port of Tacoma area of the City. The SEPA analysis for the project resulted in a Mitigated Determination of Non-Significance, which specified a number of mitigation measures to be taken by the Developers including certain traffic-related measures. State law allows the developers of a project and a city to enter into a voluntary agreement under which the developers will pay the city to implement the necessary mitigation.

ISSUE:

The Developers and the Public Works Department agree that certain required traffic mitigation can be implemented more practically, timely, and efficiently by the City and have developed an agreement under which the Developers will pay the City \$55,545, divided equally between Portside 55 North, LLC and Portside 55 South, LLC, to implement an improved roadway pavement section on Taylor Way between Lincoln Avenue and SR 509, and on Lincoln Avenue between Taylor Way and Alexander Avenue. The \$55,545 mitigation payment is applicable to roadway improvements as they relate to the conclusions in the Transportation Impact Analysis. Of this total, \$52,185 applies to the Taylor Way portion and \$3,360 to the Lincoln Avenue portion (see Paragraph 3.1.b. of the Agreement).

ALTERNATIVES:

The City could choose to leave implementation of the required mitigation to the Developers, which could result in the mitigation being implemented in a less practical, timely, and efficient manner.



RECOMMENDATION:

A resolution authorizing a Development Mitigation Agreement with Portside 55 North, LLC and Portside 55 South, LLC, in the total amount of \$55,545, to be shared equally between the two developers, for roadway improvements on Lincoln Avenue between Taylor Way and Alexander Avenue and on Taylor Way between Lincoln Avenue and State Route 509.

FISCAL IMPACT:

If the agreement is approved, the City will receive \$55,545 total from the Developers for the specified roadway improvements.

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Transportation Revenues Fund 1050-CNTRB	PWK-17A18-06	6539200	\$55,545
TOTAL			\$55,545

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Private Contribution (Developers)	PWK-17A18-06	4345860	\$55,545
TOTAL			\$55,545

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$55,545

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED:

Request for appropriation will be included in a future budget modification request prior to the implementation of roadway improvements.