



**TO:** Elizabeth A. Pauli, City Manager  
**FROM:** Josh Diekmann, Assistant Division Manager, Public Works  
Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer *JKD*  
**COPY:** City Council and City Clerk  
**SUBJECT:** Resolution – Development Mitigation Agreement with DCT Blair Logistics Center LLC  
April 17, 2018  
**DATE:** March 30, 2018

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**SUMMARY:**

A resolution authorizing a Development Mitigation Agreement with DCT Blair Logistics Center LLC, in the amount of \$183,700, for roadway improvements on Taylor Way between Lincoln Avenue, and State Route 509 and on Lincoln Avenue between Taylor Way and Alexander Avenue.

**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 logistics center within the Port of Tacoma area. Agreements for voluntary mitigation are required by state law to be adopted by Council.

**BACKGROUND:**

DCT Blair Logistics Center LLC (DCT) is constructing a new logistics 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 DCT including certain traffic mitigation. State law allows the developer of a project and a city to enter into a voluntary agreement under which the developer will pay the city to implement the necessary mitigation.

**ISSUE:**

DCT 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 DCT will pay the City \$183,700 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 \$183,700 mitigation payment is applicable to roadway improvements as they relate to the analysis in the Transportation Impact Study. Of this total, \$156,500 applies to the Taylor Way portion and \$27,200 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 DCT, 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 DCT Blair Logistics Center LLC, in the amount of \$183,700, for roadway improvements on Taylor Way between Lincoln Avenue and SR 509, and on Lincoln Avenue between Taylor Way and Alexander Avenue.



**FISCAL IMPACT:**

If the agreement is approved, the City will receive \$183,700 from DCT 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	6539200	\$183,700
<b>TOTAL</b>			\$183,700

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
Private Contribution (Developer)	PWK-17A18	4345860	\$183,700
<b>TOTAL</b>			\$183,700

**POTENTIAL POSITION IMPACT:**

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
N/A			
<b>TOTAL</b>			

*This section should only be completed if a subsequent request will be made to increase or decrease the current position count.*

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$183,700**

**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.