



RESOLUTION NO. 41716

1 A RESOLUTION relating to the Department of Public Utilities, Belt Line Division
2 ("Tacoma Rail"); setting Tuesday, July 29, 2025, upon completion of
3 Regular Agenda Items, no earlier than 5:15 p.m., as the date for a public
4 hearing by the City Council regarding whether to surplus and consider a
5 proposed five-year lease of approximately 15.25 acres of Tacoma Rail
6 property, located at 1738 Milwaukee Way to the Northwest Seaport
7 Alliance as licensee/agent of the Port of Tacoma, for the amount of
8 \$100,000 per month, plus eight percent for operating cost recovery and
9 annual Consumer Price Index adjustments for an intermodal facility,
10 commencing on September 1, 2025.

11 WHEREAS the City of Tacoma, Department of Public Utilities, Belt Line
12 Division (d.b.a. "Tacoma Rail") owns certain property within the Tacoma Tideflats
13 located at 1738 Milwaukee Way ("Property") that was originally acquired in 1944
14 for the purpose of making certain betterments and extensions of the Municipal
15 Belt Line Railway System, and

16 WHEREAS in 1985 the City Council and Public Utility Board ("PUB")
17 determined the property was not necessary for utility purposes for a limited
18 duration, and therefore approved a 41-year (31-year with two 5-year extension)
19 lease to the Port of Tacoma, which expires in 2025, and

20 WHEREAS Tacoma Rail has negotiated with the Northwest Seaport
21 Alliance as licensee/agent of the Port ("NWSA"), a lease price of \$100,000 per
22 month, plus 8 percent for operating cost recovery and annual Consumer Price
23 Index adjustments, which is considered within the range of fair market value as
24 determined by a third-party appraiser, and



1 WHEREAS, the Director of Public Utilities has determined that the Property
2 is surplus to the Tacoma Rail's needs for the extent and duration of the proposed
3 lease, and

4 WHEREAS the proposed lease is subject to both PUB and City Council
5 approval, and

6 WHEREAS, on July 9, 2025, by adoption of Resolution No. U-11541, the
7 PUB declared the Property surplus to the Tacoma Rail's needs for the extent and
8 duration of the proposed lease, approved the proposed lease, and requested that
9 the City Council do the same, and

10 WHEREAS on July 1, 2025, the Government Performance and Finance
11 Committee reviewed this proposed transaction and recommended it be sent to the
12 full City Council for consideration, and

13 WHEREAS the City desires to fix a time and date for public hearing for the
14 purpose of considering the proposed declaration of surplus and five-year lease of
15 approximately 15.25 acres of Tacoma Rail property to the Port; Now, Therefore,

16 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

17 Section 1. That a public hearing on the declaration of surplus of
18 approximately 15.25 acres of Tacoma Rail property, located at 1738 Milwaukee
19 Way for the extent and duration of the proposed five-year lease, together with the
20 consideration of the proposed five-year lease to the Northwest Seaport Alliance as
21 licensee/agent of the Port of Tacoma, for the amount of \$100,000 per month, plus
22 eight percent for operating cost recovery and annual Consumer Price Index
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1 adjustments for an intermodal facility, commencing on September 1, 2025, shall be
2 held before the City Council in the Council Chambers on the first floor of the
3 Tacoma Municipal Building, 747 Market Street, Tacoma, Washington, and may be
4 offered in a hybrid format that includes a remote option, on Tuesday, July 29, 2025,
5 upon completion of Regular Agenda Items, no earlier than 5:15 p.m. or as soon
6 thereafter as the same may be heard.
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8 Section 2. That the City Clerk shall give proper notice of the time and place
9 of said hearing.
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11 Adopted _____
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13 _____
14 Mayor

15 Attest:
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17 _____
18 City Clerk

19 Approved as to form:
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21 _____
22 Chief Deputy City Attorney
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