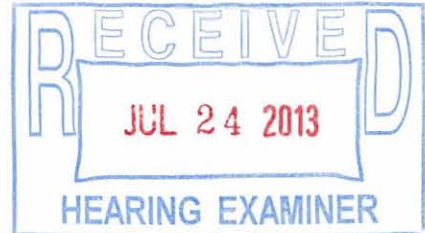


Special Benefits Study

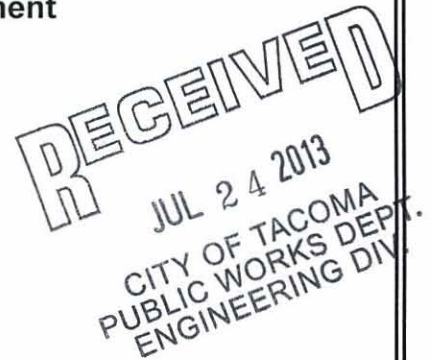
**Local Improvement District 7724
Conversion of Overhead Utilities
14 Tax Parcels Included**

**Located along Stadium Way from the intersection of Stadium Way and Borough
Road northwesterly to the dead end
Tacoma, Washington 98403**



For

**Mr. Ralph Rodriguez
L.I.D. Administrator
City of Tacoma Public Works Department
Construction Division
747 Market Street
Tacoma, Washington 98402**



By

**GPA TRUEMAN
7522 28th Street West
University Place, Washington 98466**

John R. Trueman, MAI, SRA

Richard E. Pinkley, President

Jennifer A. Trueman, Associate

EXH-4

Date of Value:	February 19, 2009
Date of Report:	May 15, 2012
Our File Number:	11-266

GPA TRUEMAN

Real Estate Appraisers and Consultants

7522 28th Street West

University Place, Washington 98466

info@gpatrueman.com

(253) 564-1342

Fax (253) 566-9560

Richard Pinkley, President
Gary K. Wessels, MAI
Jennifer A. Trueman
Matthew D. Haner

John R. Trueman, MAI, SRA
Edward O. Greer, MAI
Bruce E. Pyrah
Robert E. Sternquist
Michael D. Wearne

May 15, 2012

Mr. Ralph Rodriguez
L.I.D. Administrator
City of Tacoma Public Works Department
Construction Division
747 Market Street
Tacoma, Washington 98402

Re: Special Benefits Study
Local Improvement District 7724
Conversion of Overhead Utilities
14 Tax Parcels Included
Located along Stadium Way from the intersection of Stadium Way and Borough Road
northwesterly to the dead end
Tacoma, Washington 98403

File Number 11-266

Dear Mr. Rodriguez,

In accordance with your request, we have inspected the properties in the above-referenced Local Improvement District (L.I.D.) for the purpose of estimating the Special Benefits derived from this project. The property rights appraised are the fee simple estate.

Within this appraisal consulting report, you will find summaries of the data, calculations and conclusions upon which we have based our final estimate of Special Benefits.

We certify that to the best of our knowledge, the information is correct and nothing relevant has been knowingly withheld. We have no present or contemplated future interest in the properties. The findings and results have not been revealed to anyone other than the City of Tacoma Public Works Department and its agents and will not be revealed until instructed to do so by the Public Works Department.

This report is intended to be adequate and sufficient to provide credible and useful assignment results for the intended use and user, and it is submitted in a summary format. This consulting assignment of the special benefits of the L.I.D. has been completed in accordance with our understanding of the Uniform Standards of Professional Appraisal Practice. Also, this report was completed without prohibited influences.

Therefore, based on the analysis summarized in this report, the total of the estimated Special Benefits within the L.I.D. boundary, as of February 19, 2009, is most reasonably represented by the figure of:

\$450,000

It is our opinion, based on the information contained in this report and other information retained in our files, that the special benefit occurring to the subject parcels by reason of the conversion of the overhead utilities, to underground service, is as follows:

Typical Uphill Parcel – Moderate Benefit	\$25,000
Typical Uphill Parcel – Good Benefit	\$50,000
Typical Downhill Parcel	\$25,000

These value estimates are subject to the attached Assumptions and Limiting Conditions.

Very truly yours,

GPA TRUEMAN



John R. Trueman, MAI, SRA
State-certified General Real Estate Appraiser
Number 1101414



Rick Pinkley, President
State-certified General Real Estate Appraiser
Number 1101074



Jennifer Anne Trueman, Associate
State-certified General Real Estate Appraiser
Number 1101770

JRT/RP/JAT:jat
Attachments

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I. INTRODUCTION

An appraisal consulting assignment is an analysis, recommendation or opinion, with an opinion of value as a component of the analysis, supported by reasons and evidence. Its accuracy depends upon the basic competence and integrity of the appraiser and on the soundness and skill by which the appraiser processes the data. Its worth is influenced by the availability of pertinent data. The appraiser's opinion must be unbiased, as he/she does not make the market, but rather interprets the market.

The properties included in this analysis are the 14 parcels included in L.I.D. 7724, a local improvement district created for the conversion of existing overhead electrical, telephone and cable television lines to underground. L.I.D. 7724 is located along Stadium Way from the intersection of Stadium Way and Borough Road northwesterly to the dead end. The analysis is undertaken to determine any special benefits that have accrued to each individual parcel as a result of the L.I.D. improvements.

In accordance with the written instruction and authorization of Mr. Rodriguez, of the City of Tacoma Public Works Department, Construction Division we have undertaken an appraisal analysis to estimate the market value of the herein described properties, under the guidelines as established by the Uniform Standards of Professional Appraisal Practice. A copy of the letter of instruction and engagement is included in the Addenda of this report.

Assumptions and Limiting Conditions

The legal description of the property under review, although furnished by reliable sources and assumed to be correct, has not been investigated and no responsibility is taken for its correctness.

No land surveys were ordered or made by the appraiser, and the site dimensions and areas were taken from maps and data supplied by the client or available county records and are assumed correct.

This report is based on the premise that the title to the property is good and merchantable and that there are no liens, clouds or encumbrances against the title. No responsibility or liability is assumed for matters, which are legal in nature, nor is any opinion on the title rendered herewith.

The appraisal of any value pertaining to oil or mineral rights has not been considered as a part of this report.

Soil stability and bearing capacity are assumed to be sufficient to permit development; however, no specific soil bearing tests were either furnished or made a part of this report.

The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil or structures or proposed structures which would render it more or less valuable. The appraiser assumes no responsibility for such conditions or for engineering, which might be required to discover such factors.

If the water supply is other than a public source, it is assumed that the subject's water supply is adequate and consistent with Pierce County and Washington State regulations. It is further assumed that the use and maintenance is governed by a mutual maintenance and water agreement.

Any maps, sketches or photographs included in this report are for illustrations and as an aid in visualizing the property only.

No guarantee is made as to the accuracy of the estimates or opinions furnished by others, which have been used in making this appraisal. It is further assumed that the opinions, estimates and data contained in this report are accurate.

Possession of this report or any portion or copy thereof, does not carry with it the rights to publication, nor may the same be used for any purpose by any but the client without the prior written consent of the appraiser and, in any event, only in its entirety.

The appraiser by reason of this appraisal is not required to give testimony or attendance in court or at any governmental hearing with reference to the property appraised, unless arrangements have been made therefore.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or to the SRA or MAI designations) shall be disseminated to the public through advertising media, public relations media, news media, or any other public means of communications, without the prior written consent and approval of the author.

Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, heavy metals, carcinogenic and identified non-carcinogenic chemicals, PCB's, UST's or LUST's, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired. The value and conclusions expressed within this report assume the subject property can pass a Phase I Environmental Risk Report.

We have not been provided with an environmental report, structural inspection report, or a hydrologic or soils report, or property survey. We are not expert in these areas, and generally rely on the technical reports of qualified personnel. We specifically assume that there are no unapparent conditions which affect the value or utility of the property.

Summary of Important Facts and Conclusions

L.I.D. Location: L.I.D. 7724 is located along Stadium Way from the intersection of Stadium Way and Borough Road northwesterly to the dead end.

Property Types: The properties within the L.I.D. boundaries include single-family residences. This analysis is based upon the land only.

Zoning: The L.I.D. area is zoned R2-VSD Single-family Dwelling, View Sensitive District.

Effective Date: February 19, 2009

L.I.D. Size: 100,993± square feet or 2.32± acres.

L.I.D. Costs: The reported cost of the underground conversion is \$183,313.54.

Special Benefits: \$450,000

Subject Photographs



Local Improvement District 7724
Stadium Way looking Northwest from Intersection

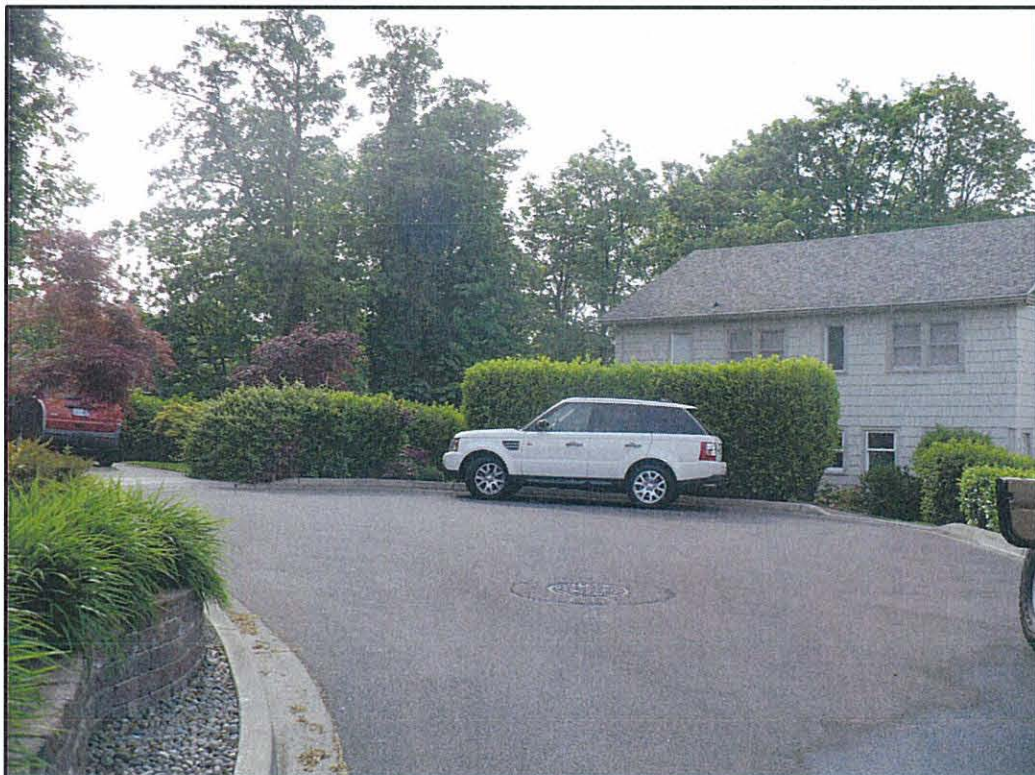


Local Improvement District 7724
Stadium Way looking Southeast towards Intersection

Subject Photographs



Local Improvement District 7724
Stadium Way looking Northwest towards cul-de-sac



Local Improvement District 7724
Stadium Way looking Northwest towards cul-de-sac

Subject Photographs



Local Improvement District 7724
Stadium Way looking Northwest to Borough Road



Local Improvement District 7724
Borough Road looking North to Stadium Way

Subject Photographs

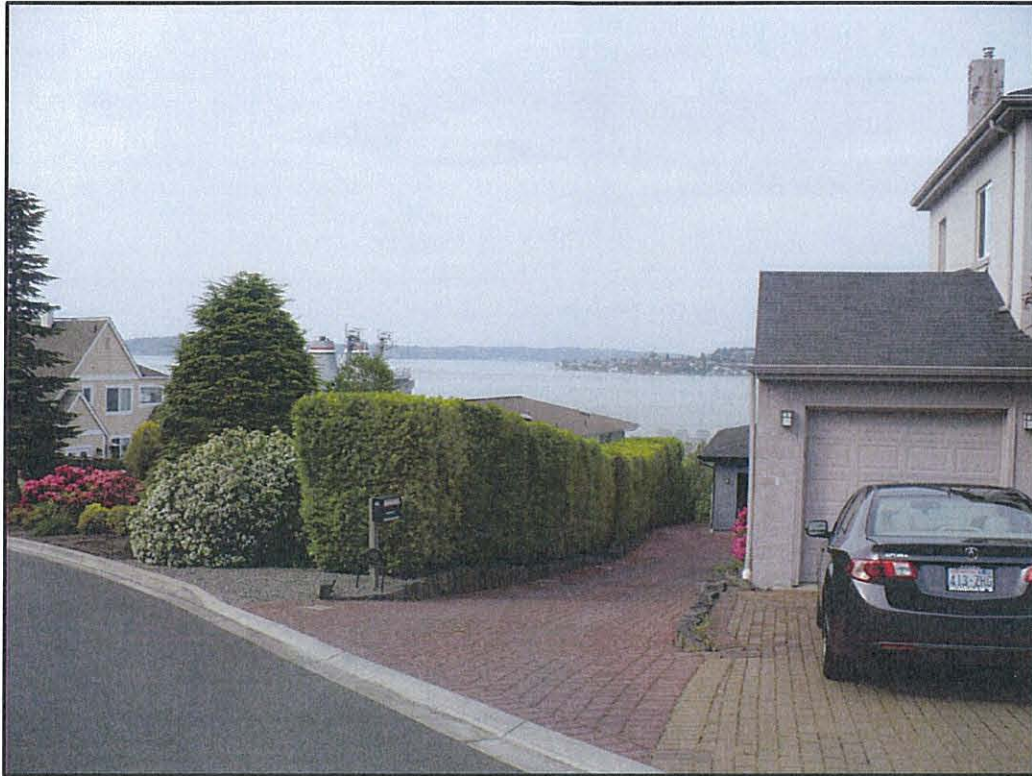


Local Improvement District 7724
View looking Southeast from Stadium Way



Local Improvement District 7724
View looking East from Stadium Way

Subject Photographs



Local Improvement District 7724
View looking North from Stadium Way



Local Improvement District 7724
View looking North from Stadium Way

Subject Photographs



Local Improvement District 7724
View looking North from Borough Road and Stadium Way



Local Improvement District 7724
View looking Northeast from Borough Road

Subject Photographs



Local Improvement District 7724
View to the North from Stadium Way and Borough Road



Local Improvement District 7724
View to the Northeast from Stadium Way and Borough Road

Subject Photographs



Local Improvement District 7724
Typical View of New Curbing and Gutters



View of Above Ground Utilities
Stadium Way looking East from Eastern Perimeter of L.I.D. 7724

II. FACTUAL INFORMATION

Disclosure of Client, Intended User(s) and Intended Use:

The term "Client" is defined as:

the party or parties who engage an appraiser (by employment or contract) in a specific assignment.

The term "Intended Use" is defined as:

the use or uses of an appraiser's reported appraisal, appraisal review, or appraisal consulting assignment opinions and conclusions, as identified by the appraiser based on communication with the client at the time of the assignment.

The term "Intended User" is defined as:

the client and any other party as identified, by name or type, as users of the appraisal, appraisal review, or appraisal consulting report, by the appraiser on the basis of communication with the client at the time of the assignment.

All of the above terms are defined in the Uniform Standards of Professional Appraisal Practice, 2012- 2013 Edition.

The intended user is the City of Tacoma Public Works Department (the client). The intended use of the report is the analysis of the project costs in proportion to the special benefits accrued to the individual parcels as a result of the L.I.D. improvements. The determination of special benefits is based upon the market value of each individual parcel before the construction of the L.I.D. improvements and after the construction. This determination of special benefits is utilized to validate the final assessment costs to the individual property owners.

Purpose of the Benefit Study

The purpose of this report is to estimate the Special Benefits, if any, that accrued to the ownership of the properties noted herein as a result of new facilities in the Local Improvement District. Such benefits included the conversion of existing overhead utilities to underground; the existing overhead electrical primary, telephone, and cable television lines were removed and converted to underground. The existing streetlight poles were reduced to a height of approximately fourteen feet and thereafter remain as public streetlights.

L.I.D. Area/Project Description

The L.I.D. area and description is defined as follows:

The improvement shall consist of a conversion of the existing overhead electrical primary, telephone and cable television lines to underground along Stadium Way from the intersection of Stadium Way and Borough Road northwesterly to the dead end, together with all work necessary to complete the project in accordance with the maps, plans and specifications prepared and on file in the office of the Director of Public Utilities.

Additional utility work was completed during the construction period by the water utility, who replaced the water main. The original construction cost estimates included only partial street improvements. With the additional work for the installation of the new water main, the street improvements were changed to include full street improvements, with the water utility sharing in the construction costs.

Summary of the Appraisal Problem

The previously described study area being considered is L.I.D. 7724, located in the City of Tacoma, in an area known as North Tacoma. A final determination is to be made to estimate the special benefits as a result of the improvements from the L.I.D. Market value is to be established immediately before the L.I.D. improvements commenced and immediately thereafter in order to measure the Special Benefits attributable to the L.I.D. improvements.

Market Value Definition

According to the Uniform Standards of Professional Appraisal Practice, Market Value is defined as:

the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- 1) buyer and seller are typically motivated;
- 2) both parties are well informed or well advised, and acting in what they consider their own best interests;
- 3) a reasonable time is allowed for exposure in the open market;

- 4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- 5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

This definition of market value is commonly used in connection with mortgage lending by a number of government agencies and others. It is designed to provide an accurate and reliable measure of the economic potential of property involved in federally related transactions.

In applying this definition of market value, adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs that are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party financial institution that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar-for-dollar cost of the financing or concession, but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraisers' judgment.

This definition is contained in *The Dictionary of Real Estate Appraisal*, Fourth Edition, 2002, by the Appraisal Institute. The definition further cites: (12 C.F.R. Part 34.42(g); 55 *Federal Register* 34696, August 24, 1990, as amended at 57 *Federal Register* 12202, April 9, 1992; 59 *Federal Register* 29499, June 7, 1994).

Fair Market Value Definition

If the use of this appraisal report falls under the jurisdiction of a duly authorized court proceeding in the State of Washington, the following definition of market value is considered to be applicable.

According to Washington State law (Washington Pattern Instruction 150.08) "Fair Market Value" is defined as:

the amount in cash which a well-informed buyer, willing but not obliged to buy the property, would pay, and which a well-informed seller, willing but not obligated to sell it, would accept, taking into consideration all uses to which the property is adapted or may be reasonably adaptable.

While these are two different definitions (market value and fair value), there is no significant difference between them. No change in the market value reported here would result from this difference in wording.

Relevant Definitions

IMPROVEMENT as defined by *Black's Law Dictionary*, Fifth Edition is:

a valuable addition made to property (usually real estate) or an amelioration in its condition, amounting to more than mere repairs or replacement, costing labor or capital, and intended to enhance its value, beauty or utility or to adapt it for new or further purposes. Generally, buildings, but may also include any permanent structure or other development, such as a street, sidewalks, sewers, utilities, etc.

LOCAL IMPROVEMENT DISTRICT as defined by *Real Estate Valuation in Litigation* is:

a specifically created taxing district used by a public agency as a means of financing an improvement project by assessing the property owners directly affected by the project. This type of real estate taxation is referred to as a special assessment and is limited to property within the specifically created taxing district known as a local improvement district or "L.I.D".

An L.I.D. is a defined geographical area in which specific public works improvements are proposed. Depending on the nature of the improvements and the specific property, the property may or may not receive special benefits over and above the general benefits to the surrounding area from these improvements. The improvement costs, up to the level of the special benefit, are allocated and assessed to the benefited properties, to be paid over a prearranged time frame.

The following terms are defined by *The Dictionary of Real Estate Appraisal*, Fifth Edition, by the Appraisal Institute.

SPECIAL ASSESSMENT is:

an assessment against real estate levied by a public authority to pay for public improvements, e.g., sidewalks, street improvements, sewers; also called betterment tax.

GENERAL BENEFITS are:

the benefits that accrue to the community at large, to the area adjacent to the improvement, or to other property situated near the taken property.

SPECIAL BENEFITS are:

in eminent domain valuation, the benefits that arise from the peculiar relation of the land in question to the public improvement, usually resulting from a change in its highest and best use. Special benefits may accrue to multiple parcels (such as all four quadrants of a newly constructed freeway interchange) because the parcels are directly benefitted in a similar manner, if not to the same degree.

Special benefits are specific, not general, benefits that accrue to the property.

Property Rights Appraised

The property rights are appraised as if unencumbered fee simple estate. Fee simple estate is defined in *The Appraisal of Real Estate*, Thirteenth Edition, by the Appraisal Institute, 2008, as follows:

absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.

Scope of Work

This appraisal consulting assignment has been made in conformance with the appraiser's understanding of the regulatory requirements as defined by the Appraisal Foundation in their Uniform Standards of Professional Appraisal Practice. As such, the subject properties were inspected and both general and specific data was collected. Due to the limited appraisal analysis that is performed for this Special Benefits study, the subject property inspections were exterior-only inspections. The valuation and comparative analysis is limited to the land only. As part of this data collection, comparable sales information was obtained. The sources of data for this analysis include primarily public records, private data services, and the agents involved in the sales. All comparable data was confirmed with the buyer, seller or an interested party whenever possible. This data was analyzed in comparison with the subject properties for the purpose of estimating the level of special benefits from the L.I.D. These comparative sales were used in a study to analyze value trends and impacts from improvements such as will be built in this L.I.D. From this

SUBJECT PROPERTY INFORMATION

comparative study, value trends for the property types in the L.I.D. area were applied to the individual properties to estimate the impact of this L.I.D. The appraisal analysis performed is limited, and it is in conformance with the standards for mass appraisals. In this report, summaries of property information, approaches to value, comparable analysis and value conclusions are presented. More detailed information and analysis is retained in the appraisers' file. This report is considered to be sufficient and adequate to provide credible and meaningful assignment results for the intended use and user.

Date of Appraisal

The properties were inspected by John R. Trueman, MAI, SRA, Jennifer Trueman and Richard Pinkley on numerous dates, with the primary inspection being on March 6, 2012. The effective date of value is February 19, 2009, the date the construction was reportedly completed.

III. SUBJECT PROPERTY INFORMATION

A. NEIGHBORHOOD DESCRIPTION

The subject neighborhood is located in the North End of Tacoma. In recent years, North Tacoma has experienced significant increased market demand, particularly as housing values have increased dramatically. This has resulted in significant new construction, renovation and/or re-development of residential properties and a fairly strong market demand in the subject area, particularly for properties with the view amenity that the subject neighborhood enjoys.

The North Slope is located within the oldest part of Tacoma. Most of it is located within the area originally incorporated as the City of Tacoma in 1874 and in the area incorporated in 1881 as New Tacoma. A portion of the North Slope falls within areas annexed in 1884 following consolidation of the City of Tacoma with New Tacoma that same year.

In the North Slope, the land rises from the shore of Commencement Bay, generally southward to an elevation of about 400 feet near the southern end, where the subject properties are located. The land immediately adjacent to Commencement Bay is steep slope, with the exception of the Old Town area where the slope is much more gradual. There are two steep-slope gulches in the area, namely Garfield Gulch to the east of Old Town and Buckley Gulch along the western boundary of Prospect Hill.

While open space in the North Slope is quite limited, it consists of some assets that are unique to the city. For instance, the Bayside Trails along the bluff over Schuster Parkway are the only developed nature trail system in the city. Near the northerly end of the trail, across Schuster Parkway, lies the Old Town Dock and Commencement Park, a five-acre waterfront beach park now being developed. Buckley Gulch and Garfield Gulch each form natural greenbelts in the area. Other open space areas include Garfield Park, at North 8th and Borough, and Old Town Playfield at North 29th Street and Steele Street. Also serving the area in terms of recreation and open space is the 27-acre Wright Park immediately adjacent to Division Avenue, just south of the subject property.

The North Slope consists of four fairly distinct neighborhoods which are predominantly older, well-established areas with very little vacant land remaining. In recent years, redevelopment has occurred throughout much of the North Slope. This has been mostly multifamily development occurring in fairly low-density units in various areas of the North Slope, with some fairly high-density residential around the Stadium Commercial District and the Old Town Commercial District. While

there has been a trend toward multifamily development in the North Slope area in recent years, the area still has several large, stable, predominantly single-family areas. Considerable interest has been shown for maintaining these areas for single-family living.

The North Slope contains two commercial areas, one extending several blocks along North 30th Street in Old Town, and the other in the vicinity of Stadium High School. These are supplemented by various small scattered commercial establishments in the North Slope area.

The Old Town area still contains several important buildings that hark back to Tacoma's earliest days. Tacoma's first church, Old St. Peter's, was built in 1873, and still functions today as a religious structure. The Slavonian Hall was constructed as a meeting place for the social and recreational activities for the many Slavonian immigrants who arrived at the turn of the century. Both structures are honored on the National Register of Historic Places. In the late 1880's, the Seamen's Rest was organized for sailors and longshoremen who frequented the Old Town waterfront. This former boarding house and mission now serves as a private home and is listed on the Tacoma Register of Historic Places.

The Old Town Commercial District has evolved in recent years from a general neighborhood commercial area servicing primarily the surrounding residents to a specialized commercial area catering to more than the immediate neighborhood. The business district continues to grow and now offers a lively mix of professional, restaurant, retail, recreation and community-based establishments. The district is proud of its heritage, as evidenced in the completed mural on North 30th Street, the authentic reconstruction of Job Carr's cabin in Old Town Park, and the development of two historic walking tours by the Old Town Business and Professional Association Art's Committee.

The Stadium Business District and its surrounding neighborhood is one of four historic districts in the city. On a walking tour over 100 stately mansions and buildings can be seen. Stadium High School is the area's Chateausque landmark. During the 1930's and 40's the residential character of the district broadened and the area welcomed trendy shops, goods and services. Today there are more than 70 eateries, family-owned shops and local services in the quaint district. Wright Park, a 27-acre park with walking trails, duck pond, playground and community facilities and Seymour Botanical Conservatory are located on the edge of the district.

Access to the area is via Stadium Way from the east and Tacoma Avenue North from the south. Entrance to the interstate highway system is off Schuster Parkway, approximately three miles east via North 30th Street. The area enjoys reasonable access to Pierce County and King County employment centers.

SUBJECT PROPERTY INFORMATION

Area amenities include the Ruston Way waterfront and recreation area, one-quarter mile to the east; Point Defiance Park and Zoo, located two and one-half miles to the northwest; the University of Puget Sound, two miles to the southeast. The three area business districts, Old Town, Proctor and Stadium offer shopping, local services, recreational facilities and educational institutions. The Proctor Business District boasts over 75 shopping, dining and entertainment establishments. Plus, a variety of services are offered for personal or business needs, all within walking distance of the Proctor residential neighborhood.

In conclusion, the subject properties are located in an area that provides at least average access to shopping and employment centers. Homes reflect a pride of ownership, which underscores the above average appeal the neighborhood enjoys. It is the appraisers' opinion that the subject area will continue to experience average, if not greater, buyer demand due to the overall quality of life and lifestyles offered by the above amenities. In particular, the properties with marine views will continue to realize strong buyer demand.

B. LOCAL IMPROVEMENT DISTRICT

Local Improvement District Area Description

The area comprising the L.I.D. is defined by the City of Tacoma Ordinance No. 27709 which created L.I.D. No. 7724 and Resolution 37278 (copies of which are included in the addenda). This area includes 14 parcels totaling 100,993± square feet (or 2.32± acres).

L.I.D. 7724 is located along Stadium Way from the intersection of Stadium Way and Borough Road northwesterly to the dead end.

The area is improved with residential properties. The improvements are detached single-family residences.

Local Improvement District Improvements

The L.I.D. improvements are defined by the City of Tacoma Ordinance No. 27709 and Resolution 37278, copies of which are included in the addenda. These include the following street improvements: conversion of the existing overhead electrical primary, telephone and cable television lines to underground, together with all other work necessary to complete the project in accordance with the maps, plans and specifications on file in the office of the Director of the Department of Public Utilities. The existing streetlight poles were to be reduced to a height of approximately fourteen feet and thereafter remain as public streetlights. The water utility replaced the water main during the construction process. The original construction cost estimates included only partial street improvements. With the additional work for the installation of the new water main, the street improvements were changed to include full street improvements, with the water utility sharing in the construction costs.

Local Improvement District Costs

In the City of Tacoma's Ordinance No. 37278, the total costs for the L.I.D. improvements had been estimated at \$185,719.10 in assessments and a Tacoma Power contribution of \$44,434.78. This is a total project estimate of \$230,153.88. The L.I.D. is a twenty-year assessment roll.

The reported final construction cost of the underground conversion is \$95,470.66. There are additional administration, financial and legal fees involved with the formation of the local improvement district, management and construction. Thus, the actual project costs are higher. Including the additional costs of financing, management, recording fees, legal fees and any other

SUBJECT PROPERTY INFORMATION

miscellaneous costs, the total project costs are \$183,313.54. For the purpose of this analysis, the total project cost of \$183,313.54 is utilized.

Local Improvement District 7724



Aerial Map of L.I.D. 7724



C. DESCRIPTION OF SUBJECT AREA

Roads and Access

The roads in the study area are typically asphalt-paved two-lane streets. There are sidewalks and concrete curbs and gutters along North Stadium Way, to the east of Borough Road. Stadium Way, north of the intersection with Borough Road, to the terminus of Stadium Way, has no sidewalks. Prior to the street improvements completed as part of the construction, the properties had wedge asphalt curbing. Full street improvements were made as part of the L.I.D. construction and the sites are currently improved with concrete curbs and gutters. Primary access into the neighborhood is via North Stadium Way from the east and south.

Land Use and Zoning

The L.I.D. area is zoned R2-VSD Single Family Dwelling, View Sensitive District. This district is intended primarily for low-density, single-family detached housing but may also allow limited lodging uses and uses such as limited holiday sales for Christmas and Halloween. The district is characterized by low residential traffic volumes and generally abuts more intense residential and commercial districts. This zoning permits single-family houses on lots with a minimum area of 5,000 square feet. The height limit for the R-2 zone is 35 feet but properties within the View Sensitive District overlay have a height restriction of 25 feet. The homes in the study area are a mixture of one-story and two-story homes, all with basements.

L.I.D. 7724 Zoning



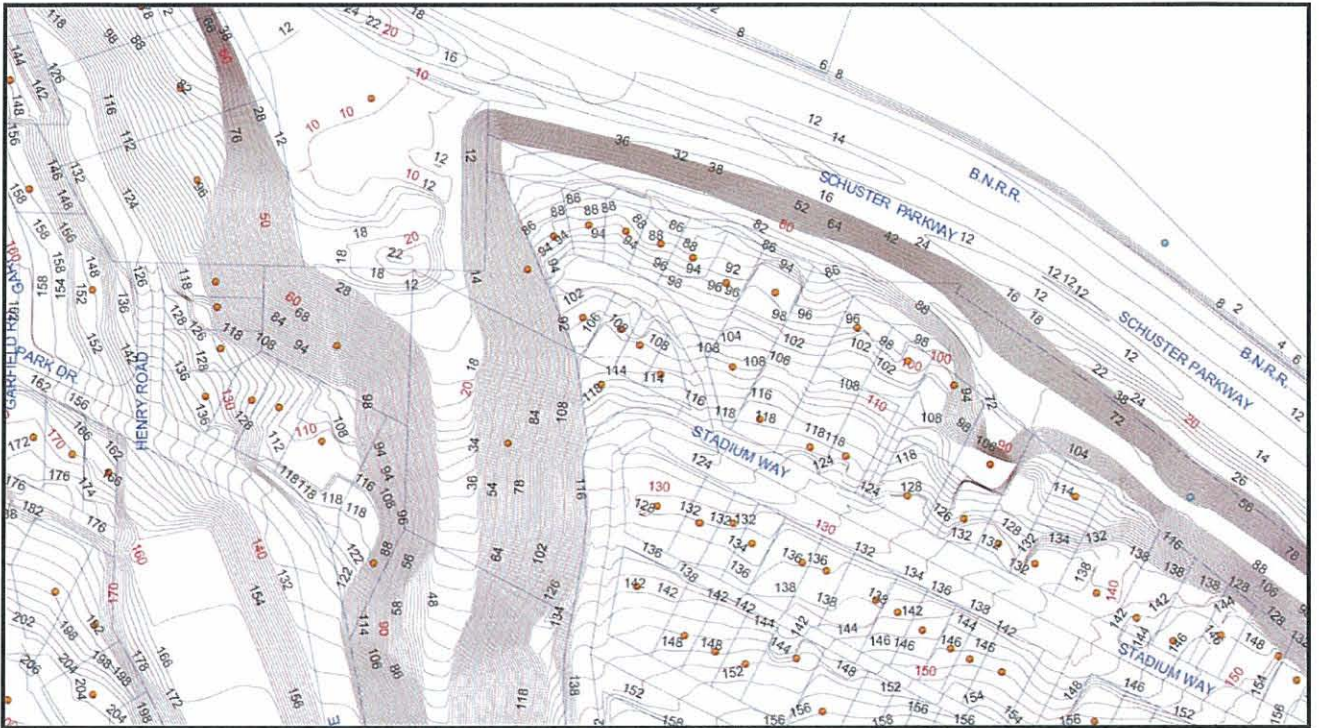
Topography and Drainage

The greater area slopes northerly from Stadium Way and westerly from Borough Road. Elevations within the L.I.D. boundaries vary from approximately 74 feet to 135 feet. The variations in topography and the utility of the sites are considered as part of this analysis. The reader is referred to the contours and slope maps on the following page. Many of the properties in the subject area enjoy good views, to the north, northwest and to the northeast, of Puget Sound, the Cascade Mountains and Mt. Rainier.

No soil(s) test or geotechnical analysis was ordered by or furnished to the appraisers' office for review; therefore, a search of proximate properties and public documents was conducted. No evidence of unstable soil(s) that would or have affected the structures in the area was noted. It is, therefore, assumed the subject soil(s) possess sufficient bearing capabilities as to support lawful development.

Prior to the installation of the new concrete curbs and gutters, it was reported that there were drainage issues with the properties on the northern portion of Stadium Way. It was reported that the properties experienced significant flooding with moderate to severe rainfalls. Many of the property owners utilized sandbags on their properties to control drainage problems. The sites are served by the City of Tacoma storm drainage system. The construction included full street improvements with new concrete curbs and gutters and asphalt surfaced street.

Two Foot Contours Map



Slope Areas



Critical Areas
Slopes (Hatch)
- 25%
25% - 40%
- 40%

Utilities

The properties in the study area are served by the following utilities:

Utilities:	Electric	Tacoma Public Utilities
	Gas	Puget Sound Energy
	Water	Tacoma Public Utilities
	Sanitary Sewer	Tacoma Public Utilities
	Street Lights	Tacoma Public Utilities
	Storm Sewer	Tacoma Public Utilities
	Telephone	Century Link

Highest and Best Use

Highest and best use as defined in *The Appraisal of Real Estate*, Thirteenth Edition, by the Appraisal Institute, 2008, is:

the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported and financially feasible, and that results in the highest value.

Because the use of land can be limited by its improvements, highest and best use must be determined separately for the land as improved and for the land as vacant and available to be put to its highest and best use.

There are four criteria utilized in the highest and best use analysis. The highest and best use must be (1) legally permissible, (2) physically possible, (3) financially feasible and (4) maximally productive.

Implied in these definitions is that the determination of highest and best use takes into account the contribution of a specific use to the community and community development goals, as well as the benefits of that use to individual property owners. Hence, in certain situations, the highest and best use of land may be for parks, greenbelts, preservation, conservation, wildlife habitats and the like.

This definition above applies specifically to the highest and best use of land. It is to be recognized that in cases where a site has existing improvements, the highest and best use may very well be determined to be different from the existing use. The existing use will continue, however, unless

and until the land value in its highest and best use exceeds the total value of the property in its existing use.

Also implied within these definitions is recognition of the contribution of that specific use to community environment or to community development goals, in addition to the wealth maximization of individual property owners. Further implied is that the determination of highest and best use results from the appraiser's judgment and analytical skill, i.e., that the use determined from analysis represents an opinion, not a fact to be found. In appraisal practice, the concept of highest and best use generally represents the premise upon which value is based.

To better understand how the principle of highest and best use is applied, it is important to recognize that the determination of highest and best use is an analytical procedure. The appraiser subjects the property to four tests to find the use that is legally permissible, physically possible, financially feasible, and results in maximum value for the property.

The subject area is improved with single-family homes, consisting of 14 individual single-family lots which are all zoned R2-VSD, as indicated in the City of Tacoma Zoning Ordinance. The zoning regulations and the size of the individual lots effectively limit development to single-family development.

Utilizing the principle of balance, which states that the highest and best use must be related to the number of services and activities that can be supported by the population, it is concluded that the "physically possible" and "legally permissible" aspects of highest and best use are best addressed with residential development.

The concepts of "financially feasible" and "maximally productive" are addressed when a review of sales of local area developments is conducted. The subject area is an established residential neighborhood. Many of the residences are older homes, with above average quality of construction and appealing architectural elements. There is limited vacant land available for development in the area. It is in close proximity to several neighborhood business districts and the waterfront. The area generally holds above average appeal in the market due to the neighborhood amenities and the characteristics of the individual homes.

Population trends reflect an increasing migration to suburban residential communities where full utility services are available. Such trends indicate that purchasers are seeking living environments where they can enjoy a reasonable degree of architectural homogeneity and land uses which are compatible.

SUBJECT PROPERTY INFORMATION

In summary, several economic principles have been considered and applied to the subject study area. All of the lots in the study area are currently improved with single-family residences. The current zoning regulations allow for single-family development. There is no evidence of any change in use in the foreseeable future. The most probable use for the properties in the area is for single-family residences. The study area has varying view amenities of Puget Sound and the mountains. Therefore, it is our conclusion that the highest and best use, as if vacant, for the properties in the study area would be to develop them with single-family residences. The highest and best use of the subject properties as improved was not considered for this analysis.

IV. APPROACH TO VALUE

To estimate the economic impact of the L.I.D. improvements on the properties within the L.I.D. area, a comparative study was made in the subject area as well as competing areas. This study was oriented to analyze the value trends and impacts in the subject residential properties from improvements similar to those in the L.I.D. In estimating the effect on value of the L.I.D. improvements, a search for comparable sales was made for properties impacted by overhead wires and those which enjoyed underground lines. From this data, by the use of comparative analysis techniques, the impact on land values for these improvements could be estimated.

Consideration was given to properties in a number of view areas with most emphasis given to properties in the subject area. Both view lot and non-view lot sales were analyzed to estimate the "before" and "after" value for both the uphill and downhill properties. The single family residences and other residential buildings were not considered as the special benefit is generally allocated to the site value. Therefore, only vacant lot sales were utilized, and the analysis was limited to the subject sites.

This impact on value was expressed in a common unit of comparison, a price per square foot of land area, and then applied to the land in the L.I.D. This analysis was performed on a parcel by parcel basis, and then summarized for the entire project area. This impact was then compared to the estimated L.I.D. costs to establish the special benefits for the each parcel.

V. VALUATION OF PROPERTY/SPECIAL BENEFITS

Vacant Land Sales

For this analysis numerous property sales were reviewed. From this review, the sales which showed the characteristics which were useful for this assignment were more fully analyzed. The following is a brief summary of this comparative analysis. Detailed sales information has been retained in the appraisers' files.

Sales were investigated back to 2007. These sales from several competitive areas provided data for this analysis.

In the correlation and analysis of the lot sales, a number of factors were considered as the sales all realized individual site characteristics. Consideration was given to the differences in location, topography, size and market conditions. For the view lot sales, consideration was also given to the quality and scope (degree) of view.

In the North End, residential land with overhead utilities sold for \$65,000 to \$450,000 or approximately \$13.60 to \$61.98 per square foot. Similar residential land with underground utilities sold for \$139,000 to \$399,000 or approximately \$13.57 to \$64.17 per square foot.

The sales of view lots ranged from \$116,500 to \$450,000, with partial view lots generally ranging from \$116,500 to \$260,000 and average or better view lots generally ranging from \$244,000 to \$450,000.

The sales of the non-view lots ranged from \$85,000 to \$173,900, with most being in the range of \$85,000 to \$150,000. The sales at the higher end of the range generally reflect sales of properties with underground utilities.

Based on the analysis undertaken, the typical "uphill" view lot would realize a probable special benefit increase in value range of \$25,000 to \$50,000, directly attributable to the undergrounding of the wires. The lots with more limited view amenities are estimated to realize a most probable special benefit of \$25,000. The majority of the uphill lots receive a good benefit and are estimated to receive a special benefit of \$50,000.

VALUATION OF PROPERTY/SPECIAL BENEFITS

The typical "downhill" lot would have a most probable range of special benefit of \$15,000 to \$25,000, with a most probable special benefit of \$25,000, due to the undergrounding of the wires. Since the "downhill" view lots would not have an improvement in their view, the estimated special benefit for these lots is similar to that of the more limited view amenity lots. The special benefits to these lots are estimated at \$25,000 per lot.

VI. L.I.D. VALUATION SUMMATION

In conclusion, it is the opinion of the appraisers that the amount of special benefits and the corresponding assessment of cost accruing to the subject properties as a result of completion of construction of the L.I.D. is as noted in the assessment roll included in the addenda of this report. This estimate is effective as of February 19, 2009, and is subject to the attached Assumptions and Limiting Conditions.

From the comparative analysis completed and discussed above, it was estimated that the special benefit occurring to the subject parcels by reason of the conversion of the overhead utilities, to underground service, is as follows:

Typical Uphill Parcel – Moderate Benefit	\$25,000
Typical Uphill Parcel – Good Benefit	\$50,000
Typical Downhill Parcel	\$25,000

Each parcel in this L.I.D. area was individually analyzed as to what benefits it received from this project. As typical of a project of this nature, not all properties benefit equally. Some parcels were considered as receiving no special benefits due to their highest and best use. Others were seen as receiving only partial benefits due to their topography, utility and locations. The remaining parcels were considered as receiving full benefits from this project. The special benefits noted above were applied to each parcel individually, with allocations of the benefits made as appropriate.

From this analysis, the total special benefit directly attributable to the undergrounding of the wires and reduction of streetlight pole height was estimated at \$450,000.

With a total L.I.D. size of 100,993± square feet, this calculates to \$4.46 per square foot for the entire project.

A copy of the preliminary assessment roll, identified as Assessment Roll L.I.D. 7724 is included in the addenda of this report and lists the final assessment for each parcel for L.I.D. 7724.

In conclusion, it is the opinion of the appraisers that the amount of special benefits and the corresponding assessment of cost accruing to the subject properties after the completion of the construction of the L.I.D. is as noted in the assessment roll included in the Addenda of this report. This estimate is effective February 19, 2009 and is subject to the attached Assumptions and Limiting Conditions.



John R. Trueman, MAI, SRA
State-certified General Real Estate Appraiser
Number b



Rick Pinkley
State-certified General Real Estate Appraiser
Number



Jennifer Anne Trueman, Associate
State-certified General Real Estate Appraiser
Number 1101770

VII. CERTIFICATION

We certify that to the best of our knowledge and belief,

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analysis, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- John R. Trueman, Richard Pinkley and Jennifer Trueman are currently certified under the voluntary continuing education program of the Appraisal Institute. As of the date of this report, they have completed the continuing education program of the Appraisal Institute.
- John R. Trueman, Richard Pinkley and Jennifer Trueman have made a personal inspection of the properties that are the subject of this report. The research and collection of comparable data and valuation analysis was a collective effort by John R. Trueman, Richard Pinkley and Jennifer Trueman. The composition of the narrative portion of this report was prepared largely by Jennifer Trueman and reviewed in its entirety by John R. Trueman and Richard Pinkley.
- We have not performed a previous appraisal consulting assignment involving the subject property within the three years prior to this assignment.
- No one provided significant real property appraisal assistance to the persons signing this certification.



John R. Trueman, MAI, SRA
State-certified General Real Estate
Appraiser Number 1101414



Rick Pinkley
State-certified General Real Estate
Appraiser Number 1101074



Jennifer A. Trueman
State-certified General Real Estate
Appraiser Number 1101770

VIII. QUALIFICATIONS

**QUALIFICATIONS AND EXPERIENCE
OF
JOHN R. TRUEMAN, MAI, SRA**

EDUCATIONAL BACKGROUND AND TRAINING

University of Minnesota, B. S., Business, 1968

Appraising Real Property, Society of Real Estate Appraisers, Macalester College, 1975

Narrative Report Writing, Society of Real Estate Appraisers, 1976

Senior Residential Appraiser Designation, Society of Real Estate Appraisers, 1981

Capitalization Theory and Techniques, American Institute of Real Estate Appraisers, Seattle University, 1984

Standards of Professional Practice, American Institute of Real Estate Appraisers, 1985

Case Studies in Real Estate Valuation, American Institute of Real Estate Appraisers, University of Minnesota, 1985

Valuation Analysis and Report Writing, American Institute of Real Estate Appraisers, University of Minnesota, 1985

MAI designation, 1987, Certificate Number 7565, American Institute of Real Estate Appraisers

Certified Real Estate Appraiser, State of Washington, General Classification, Number 1100414, July 11, 1991, expiration date May 15, 2013

RECENT SEMINARS AND CLASSES ATTENDED

Appraisal of Non-Conforming Use, Appraisal Institute, 2000

Evaluating Commercial Construction, Appraisal Institute, 2002

Understanding Mold Claims & Managing Risk, Appraisal Institute, 2002

Basic Income Capitalization, Course 310, Appraisal Institute, 2004

Residential & Mixed Use Redevelopment of Contaminated Property, Law Seminars Intl, 2007

Business Practices & Ethics, Course 420, Appraisal Institute, 2007

Appraisal of Nursing Facilities, Appraisal Institute, 2007

Analyzing Operating Expenses, Appraisal Institute, 2007

Puget Sound Subdivision Seminar, Appraisal Institute 2008

Supervising Appraisal Trainees, Appraisal Institute, 2009

National USPAP Update Course, Appraisal Institute, 2009

Appraisal of Wineries and Vineyards, Appraisal Institute, 2009

National USPAP Update Course, Appraisal Institute, 2011

Introduction to Valuing Commercial Green Buildings, Appraisal Institute, 2011

What Commercial Clients Would Like Appraisers to Know, Appraisal Institute, 2011

QUALIFICATIONS AND EXPERIENCE (Continued)

Online Scope of Work: Expanding your Range of Services, Appraisal Institute, 2011
State of the Multifamily Market, Appraisal Institute, 2012

Instructor:

Real Estate Appraisal, Pierce College
Real Estate Appraisal, Tacoma Community College

ASSOCIATION MEMBERSHIPS

Appraisal Institute, Puget Sound Chapter

Offices Held: Secretary, Treasurer, Vice President, President (1984 & 1986, 1999, 2001)
Designations: MAI, SRA

International Right of Way Association

Cross District Association of Tacoma, Vice President, President (2004, 2005 VP; 2006, 2007 President)

EXPERIENCE

2011 to Present GPA Trueman, University Place, Washington, Independent Fee Appraiser
1987 to 2011: Trueman Appraisal Company, Tacoma, Washington, Owner
1979 to 1987: Greer, Patterson, Trueman & Associates, Inc., Tacoma, Washington, Independent Fee Appraiser
7 Years: Lyle H. Nagell & Co., Inc., Minneapolis, Minnesota, Independent Fee Appraiser

TYPES OF PROPERTY

Land - commercial, industrial, residential, rural, acreage.

Improved - commercial, industrial, assisted living complexes, multiple family dwellings, single family residential, farm buildings, mobile home parks and auto dealerships.

PREVIOUS CLIENTS

Individual clients: Anchor Savings Bank; Fife Commercial Bank; Bank of Sumner; Cascade Community Bank; West Coast Bank; Columbia Bank; First Community Bank; First Mutual Bank, First Savings Bank of Washington; Heritage Bank; InterWest Mortgage Company; InterWest Savings Bank; Key Bank; Kitsap Bank; Metropolitan Mortgage and Securities; Mt. Rainier National Bank; National Bank of Tukwila; Sound Banking Company; Sterling Savings Bank; Tapco Credit Union; Umpqua Bank; Chase Bank; Washington State Bank; Wells Fargo Bank; Pierce County Utilities; Pierce County Public Works Department; Sound Transit; Pierce County Parks, Recreation, and Community Services; City of Tacoma; Bethel School District; Peninsula School District; Puyallup School District; Tacoma School District; Franklin Pierce School District; Port of Tacoma; Port of Olympia; Washington State Department of Transportation; Thurston County Public Works; City of Olympia; City of Gig Harbor; Cowlitz County; Seattle City Light; Lewis County PUD, Nissan Motor Acceptance Corporation; Infinity Motor Acceptance Corporation; Chrysler Realty;. Toyota Motor Credit Corporation; Union Bank of California; U.S. Department of the Interior

COURT OF EXPERT WITNESS TESTIMONY

Pierce County Superior Court
Thurston County Superior Court

PRESENT RESPONSIBILITIES

Independent Fee Appraiser

08/2011

STATE OF WASHINGTON
DEPARTMENT OF LICENSING – BUSINESS AND PROFESSIONS DIVISION


THIS CERTIFIES THAT THE PERSON NAMED HEREON IS AUTHORIZED, AS PROVIDED BY LAW, AS A

CERTIFIED GENERAL REAL ESTATE APPRAISER

JOHN RAYMOND TRUEMAN
2311 NORTH 30TH STREET
TACOMA WA 98403

Cert/Lic No. 1100414	Issued Date 07/11/1991	Expiration Date 05/15/2013
--------------------------------	----------------------------------	--------------------------------------

Elizabeth A. Luce
Director



PL-630-159 (R/2/04)

**QUALIFICATIONS AND EXPERIENCE
OF
RICHARD PINKLEY**

EDUCATIONAL BACKGROUND AND TRAINING

Appraisal Education: Recent Seminars and Appraisal Institute Courses
Appraising Vacant Land, 2011
Loss Prevention Program for Real Estate Appraisers, 2011
General Appraiser Market Analysis and Highest and Best Use, 2010
Uniform Appraisal Standards for Federal Land Acquisitions, 2010
Business Practices and Ethics, 2010
Uniform Standards of Professional Appraisal Practice Update, 2010
Appraisal of Wineries & Vineyards, 2009
Water Rights, WSU Extension, 2009
Puget Sound Subdivision Seminar, 2008
Washington State Department of Transportation
Appraisal Review for Federal Aid Hwy Programs, Nat'l Highway Institute, 2008
Appraisal Review Overview, 2003
Understanding WSDOT Appraisal Requirements, 2002
Law Seminars International, Eminent Domain, 2004
International Right of Way Association
Principles of Real Estate Engineering, 2004
Successful Completion of SR/WA Comprehensive Examination, 2004
Bachelor of Arts Degree, The Evergreen State College, Olympia, Washington, 1992

LICENSES AND PROFESSIONAL AFFILIATIONS

Licensed by the State of Washington as a Certified Real Estate Appraiser,
General Classification License Number 1101074
Appraisal Institute, Associate Member
International Right of Way Association, SR/WA Candidate Number CS04-1247
WSDOT approved appraiser and appraisal reviewer

EXPERIENCE

2011 to Present - Real Estate Appraiser and Consultant, GPA Trueman
1991 to 2011 – Real Estate Appraiser and Consultant, GPA Valuation

TYPES OF ASSIGNMENTS

Land – commercial, industrial, multifamily, residential, residential subdivision, acreage, and resource lands
Improved – commercial, industrial, multifamily, residential
Litigation Support
Project Work - multi-parcel projects for condemnation
Tribal Trust lands for the US Government and for various individual tribes
Eminent Domain appraisals for condemning authorities and property owners

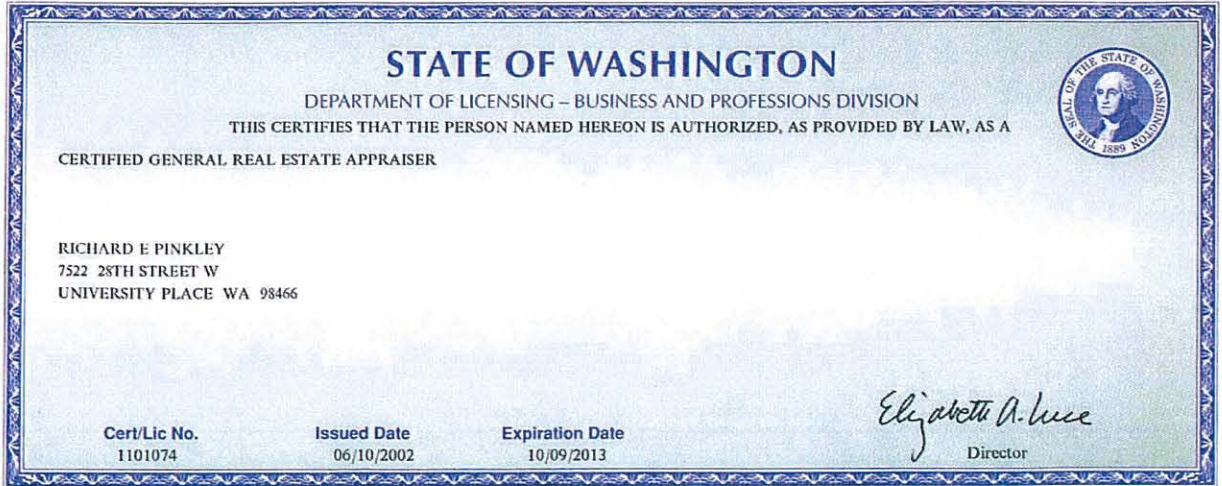
COURT OF EXPERT WITNESS TESTIMONY

Pierce County Superior Court, King County Superior Court

PRESENT RESPONSIBILITIES

President, GPA Trueman

09/11



**QUALIFICATIONS AND EXPERIENCE
OF
JENNIFER ANNE TRUEMAN**

PROFESSIONAL LICENSE AND EXPERIENCE

State of Washington Department of Licensing, Certified General Real Estate Appraiser #1101770,
expiration date March 17, 2014

EDUCATIONAL BACKGROUND AND TRAINING

University of Washington, Bachelor of Arts, Psychology, 1992

SEMINARS AND CLASSES ATTENDED

General Appraiser Site Valuation and Cost Approach, Appraisal Institute, 2011
Chief Appraiser Roundtable Seminar, Appraisal Institute, 2011
Single and Multifamily Housing Update, Appraisal Institute, 2010
Business Practices and Ethics, Appraisal Institute, 2010
Cool Tools: New Technology for Real Estate Appraisers, Appraisal Institute, 2010
Uniform Standards of Professional Appraisal Practice Update, Appraisal Institute, 2010
Fall Real Estate Conference, Appraisal Institute, 2009
Puget Sound Subdivision Seminar, Appraisal Institute, 2008
Uniform Standards of Professional Appraisal Practice, Appraisal Institute, 2008
Evaluating Residential Construction, Appraisal Institute, 2008
Evaluating Commercial Construction, Appraisal Institute, 2008
Real Estate Finance Statistics and Valuation Modeling, Appraisal Institute, 2007
Real Estate Law, Mykut Real Estate School, 2006
Basic Income Capitalization, Appraisal Institute, 2005
Residential Market Analysis and Highest and Best Use, Appraisal Institute, 2005
Uniform Standards of Professional Appraisal Practice, Appraisal Institute, 2005
Apartment Appraisal: Concepts and Applications, Course 330, Appraisal Institute, 2004
Accounting and Finance Classes, Pacific Lutheran University, 1999-2001

ASSOCIATION MEMBERSHIPS

Appraisal Institute, Associate Member

Office Held: Vice President, South Sound Branch, Seattle Chapter

Tacoma North Rotary

EXPERIENCE

August 2011 to Present GPA Trueman, Independent Fee Appraiser, University Place, Washington

1993 to 2011: Trueman Appraisal Company, Associate, Tacoma, Washington

TYPES OF PROPERTY

Land – commercial, industrial, subdivision, residential, rural, acreage.

Improved – office, retail, industrial, multifamily dwellings, single-family residential.

PRESENT RESPONSIBILITIES

Independent

Fee

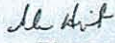
Appraiser


08/2011

STATE OF WASHINGTON
DEPARTMENT OF LICENSING – BUSINESS AND PROFESSIONS DIVISION

THIS CERTIFIES THAT THE PERSON NAMED HEREON IS AUTHORIZED, AS PROVIDED BY LAW, AS A
CERTIFIED GENERAL REAL ESTATE APPRAISER

JENNIFER ANNE TRUEMAN
7522 28TH STREET W.
UNIVERSITY PLACE WA 95466

Cert/Lic No.	Issued Date	Expiration Date	 Director
1101770	08/18/2006	03/17/2014	



PL-630-159 (R/2/04)

IX. ADDENDA



City of Tacoma
Public Works Department

December 29, 2011

Mr. John Trueman
GPA Trueman
7522 28th St W
University Place, WA 98466-4112

Subject: Notice to Proceed
Project No. PW11-0548N
LID 7723 & LID 7724: Special Benefit Study for the Conversion of Overhead
Utilities to Underground

Dear Mr. John Trueman:

This is your official Notice to Proceed, effective as of January 3, 2012, for the project referenced above. The following is a tabulation of the respective contract dates for the project:

Bid Opening	11/07/11
Contract Executed	11/10/11
Effective Contract Starting Date	01/03/12
Original Contract Ending Date	01/31/12
Revised Contract Ending Date	06/30/12

Find attached the additional items you requested at the meeting with our LID staff on December 7, 2011. Included are the following items: 24x34 copies of the assessment map, 11x17 copies of the assessment map, photographs of the project before and after, previous copy of a Special Benefit Study, performed by Trueman Appraisal Company.

All Letters of Correspondence, Requests for Information, etc. shall be submitted to Ralph K. Rodriguez, LID Administrator, Construction Division, City of Tacoma.

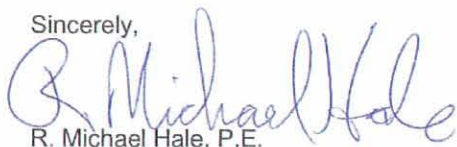
747 Market Street, Room 620 ■ Tacoma, WA 98402-3769
www.cityoftacoma.org

GPA TRUEMAN

Mr. John Trueman
December 20, 2011
Page Two

If you have questions or concerns please contact Ralph Rodriguez at (253) 591-5522.

Sincerely,



R. Michael Hale, P.E.
Assistant Construction Division Manager

RMH:RKR:szs

cc: Rae Bailey – Construction Division
Ralph Rodriguez – Construction Division
John Martinson, P.E. – Tacoma Power
Debbie Seibert - Purchasing

Attachments

File: Contract File
Correspondence File

ASSESSMENT ROLL LID 7724										
Assmt No.	Parcel No.	Taxpayer	Address	Est Assmt.	P.O. Disc.	P & D Assist.	P & D Disc.	Final Assmt	Land Value	Improv. Value
1	218000-021-1	SRINI SUNARUM	811 N STADIUM WAY TACOMA, WA 98403	\$7,321.05	\$143.28	\$0.00	\$0.00	\$5,731.10	\$256,900.00	\$474,500.00
2	218000-021-2	CARL D TEITGE & LEANNA J LONG	815 N STADIUM WAY TACOMA, WA 98403	\$2,448.80	\$48.44	\$0.00	\$0.00	\$1,937.60	\$257,600.00	\$604,300.00
3	203804-005-1	JOHN A & SHIRLEY D READ	820 N STADIUM WAY TACOMA, WA 98403	\$25,585.90	\$498.80	\$0.00	\$0.00	\$19,952.05	\$216,800.00	\$506,200.00
4	03-21-29-3-012	ROBERT L & LINDA M HEATON	905 N STADIUM WAY TACOMA, WA 98403	\$10,542.85	\$205.99	\$0.00	\$0.00	\$8,239.60	\$236,000.00	\$424,600.00
5	03-21-29-3-003	WILLIAM ELFORD & SHERI SHAUB	911 N STADIUM WAY TACOMA, WA 98403	\$9,053.85	\$177.01	\$0.00	\$0.00	\$7,080.25	\$217,200.00	\$300,900.00
6	03-21-29-3-013	RICHARD A & JUDITH N ROSE	915 N STADIUM WAY TACOMA, WA 98403	\$7,472.80	\$146.23	\$0.00	\$0.00	\$5,849.25	\$193,000.00	\$195,700.00
7	03-21-29-3-004	KELLY A PATTISON	919 N STADIUM WAY TACOMA, WA 98403	\$6,891.15	\$134.91	\$0.00	\$0.00	\$5,396.40	\$192,400.00	\$223,000.00
8	03-21-29-3-005	DAVID STOLZ	923 N STADIUM WAY TACOMA, WA 98403	\$7,163.75	\$140.22	\$0.00	\$0.00	\$5,608.60	\$196,400.00	\$184,600.00
9	03-21-29-3-006	LEON & SONIA GRUNBERG	927 N STADIUM WAY TACOMA, WA 98403	\$10,327.90	\$201.81	\$0.00	\$0.00	\$8,072.25	\$225,800.00	\$312,100.00
10	03-21-32-2-030	SANDRA ZACEK	922 N STADIUM WAY TACOMA, WA 98403	\$28,735.20	\$560.10	\$0.00	\$0.00	\$22,404.05	\$137,300.00	\$181,600.00
11	03-21-32-2-031	JAMES E & DIANE M LAKE	916 N STADIUM WAY TACOMA, WA 98403	\$21,213.45	\$413.69	\$0.00	\$0.00	\$16,547.65	\$135,500.00	\$251,400.00
12	03-21-32-2-032	SHORELINE 167 LLC MAILING ADDRESS: 5114 POINT FOSDICK DR NW STE E PMB 262 GIG HARBOR, WA 98335	910 N STADIUM WAY TACOMA, WA 98403	\$21,378.50	\$416.90	\$0.00	\$0.00	\$16,676.15	\$145,300.00	\$218,500.00
13	03-21-32-2-026	ROBERT W & LORI L GIRVIN	906 N STADIUM WAY TACOMA, WA 98403	\$22,555.75	\$439.82	\$0.00	\$0.00	\$17,592.75	\$175,400.00	\$334,700.00
14	03-21-32-2-017	BRENDAN RANEY	202 N BOROUGH RD TACOMA, WA 98403	\$5,028.15	\$98.65	\$0.00	\$0.00	\$3,945.90	\$117,100.00	\$213,000.00
SUBTOTALS				\$185,719.10	\$3,625.85	\$0.00	\$0.00	\$145,033.60	\$2,702,700.00	\$4,425,100.00

Asmt No.	Ownership	Tax Parcel	Address	Lot Size (±SF)	Zoning	Uphill/ Downhill	Land Value Assessed	Without LID 7724		With LID 7724			
								Estimated Land Value	Estimated Land Value per SF	Estimated Land Value	Estimated Land Value per SF	Estimated Special Benefit	Estimated Special Benefit per SF
1	Srini Sundarum	218000 021 1	811 N Stadium Wy	9,648	R2-VSD	Downhill	\$477,400	\$375,000	\$38.87	\$400,000	\$41.46	\$25,000	\$2.59
2	Carl Teitge & Leanna Long	218000 021 2	815 N Stadium Wy	9,742	R2-VSD	Downhill	\$455,000	\$450,000	\$46.19	\$475,000	\$48.76	\$25,000	\$2.57
3	John & Shirley Read	203804 005 1	820 N Stadium Wy	10,945	R2-VSD	Uphill	\$397,500	\$400,000	\$36.55	\$425,000	\$38.83	\$25,000	\$2.28
4	Robert & Linda Heaton	032129 301 2	905 N Stadium Wy	10,080	R2-VSD	Downhill	\$484,100	\$450,000	\$44.64	\$475,000	\$47.12	\$25,000	\$2.48
5	William & Sheri Elford	032129 300 3	911 N Stadium Wy	7,552	R2-VSD	Downhill	\$392,700	\$400,000	\$52.97	\$425,000	\$56.28	\$25,000	\$3.31
6	Richard & Judith Rose	032129 301 3	915 N Stadium Wy	5,000	R2-VSD	Downhill	\$387,600	\$400,000	\$80.00	\$425,000	\$85.00	\$25,000	\$5.00
7	Kelly Pattison	032129 300 4	919 N Stadium Wy	4,950	R2-VSD	Downhill	\$386,300	\$400,000	\$80.81	\$425,000	\$85.86	\$25,000	\$5.05
8	David Stolz	032129 300 5	923 N Stadium Wy	5,319	R2-VSD	Downhill	\$395,300	\$400,000	\$75.20	\$425,000	\$79.90	\$25,000	\$4.70
9	Leon & Sonia Grunberg	032129 300 6	927 N Stadium Wy	8,640	R2-VSD	Downhill	\$461,000	\$425,000	\$49.19	\$450,000	\$52.08	\$25,000	\$2.89
10	Sandra Zacek	032132 203 0	922 N Stadium Wy	5,500	R2-VSD	Uphill	\$248,600	\$300,000	\$54.55	\$350,000	\$63.64	\$50,000	\$9.09
11	James & Diane Lake	032132 203 1	916 N Stadium Wy	5,250	R2-VSD	Uphill	\$244,900	\$300,000	\$57.14	\$350,000	\$66.67	\$50,000	\$9.52
12	Shoreline 167 LLC	032132 203 2	910 N Stadium Wy	4,140	R2-VSD	Uphill	\$227,100	\$300,000	\$72.46	\$350,000	\$84.54	\$50,000	\$12.08
13	Robert & Lori Girvin	032132 202 6	906 N Stadium Wy	5,227	R2-VSD	Uphill	\$314,500	\$325,000	\$62.18	\$375,000	\$71.74	\$50,000	\$9.57
14	Brendan Raney	032132 201 7	202 N Borough Rd	9,000	R2-VSD	Uphill	\$390,600	\$300,000	\$33.33	\$325,000	\$36.11	\$25,000	\$2.78
	Totals			100,993			\$5,262,600	\$5,225,000		\$5,675,000		\$450,000	\$4.46
													Average per SF



Req. #11786

ORDINANCE NO. 27709

L.I.D. No. 7724

1
2
3 AN ORDINANCE providing for the conversion of overhead utilities to
4 underground; creating Local Improvement District No. 7724; providing for
5 a special fund for the payment of the improvement by special
6 assessment upon the property within the district benefited thereby, for
7 the issuance of warrants, installment notes, bond anticipation notes, or
8 other short-term obligations to pay that part of the cost and expense of
9 the improvement assessed against the property in the district, and for the
10 payment of the remainder of the cost thereof.

11 WHEREAS all of the preliminary proceedings for the establishment of
12 Local Improvement District ("L.I.D.") No. 7724 have been taken as provided by
13 law, and

14 WHEREAS the Hearings Examiner of the City, after public hearing duly
15 held, has recommended to the City Council the formation of L.I.D. No. 7724;
16 Now, Therefore,

17 BE IT ORDAINED BY THE CITY OF TACOMA:

18 Section 1. That there shall constructed a public work and improvement
19 consisting of a conversion of the existing overhead electrical primary,
20 telephone, and cable television lines to underground along Stadium Way from
21 the intersection of Stadium Way and Borough Road northwesterly to the dead
22 end, together with all other work necessary to complete the project in
23 accordance with the maps, plans, and specifications prepared and now on file
24 in the office of the Director of the Department of Public Utilities, which maps,
25 plans, and specifications are hereby adopted.
26

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Section 2. That there is hereby created a local improvement district, to be known as L.I.D. No. 7724, which shall embrace as nearly as practicable all the property specially benefited by the improvements described above, which property is described as follows:

Those portions of the Southwest Quarter of Section 29, Township 21, Range 3E, W.M. and the Northwest Quarter of Section 32, Township 21, Range 3E, W.M., described as follows:

Beginning at the southerly corner common to Lots 36 & 37 in the addition of ALTA VISTA, Tacoma, Washington, as per the plats recorded in Volume 11 of Plats at Page 64, records of Pierce County Auditor; situate in the City of Tacoma, County of Pierce, State of Washington, thence North 25 degrees 34 minutes 14 seconds East along a common line to said Lots 36 and 37, 278.62 feet; thence North 54 degrees 09 minutes 18 seconds West 8.62 feet; thence North 70 degrees 20 minutes 46 seconds West 208.135 feet; thence North 79 degrees 18 minutes West 281.03 feet; thence South 24 degrees 32 minutes 21 seconds East 290.77 feet; thence South 10 degrees 05 minutes 46 seconds East 140 feet to the northerly line of Borough Road, being on a non-tangent curve, which radius point bears South 66 degrees 02 minutes 11 seconds East a distance of 90 feet; thence northeasterly along said curve and said northerly line through a central angle of 91 degrees 35 minutes 03 seconds an arc distance of 143.86 feet; thence South 64 degrees 25 minutes 46 seconds East 13.19 feet; thence North 25 degrees 34 minutes 14 seconds East 20 feet; thence South 64 degrees 25 minutes 46 seconds East to point of beginning. LESS street rights of way.

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Together with the following described parcel:

That part of vacated North 9th Street as shown on the plat of MAP OF NEW TACOMA, Washington Territory, according to plat recorded February 3, 1875, in the office of the County Auditor, adjoining Block 3804 of said plat; together with the unplatted tract lying between the westerly line of said vacated North 9th Street and the easterly line of Borough Road, said tract being more particularly described as follows:

Commencing at the northwesterly corner of said Block 3804 of said plat, thence westerly along the northerly line of said block and prolongation thereof, a distance of 93.19 feet to a point; thence on a curve to the left, having a radius of 30 feet through a central angle of 120°57'05", an arc length of 63.33 feet to a point of tangency; thence southerly on a line tangent to the last-mentioned curve, a distance of 50.97 feet to a point of curvature; thence on a curve to the right, having a radius of 385.0 feet through a central angle of 06°55'02", an arc length of 46.48 feet, more or less, to a point, said point being a distance of 130 feet southerly from, measured at right angles to the northerly line of Block 3804 and its prolongation westerly; thence easterly, parallel to a distance 130 feet southerly from said northerly line of said block 3804 and its prolongation easterly, a distance 71.40 feet to the southerly prolongation of the westerly line of said Block 3804; thence northerly along the westerly line of said Block 3804 and its prolongation southerly, a distance of 130 feet, to the place of beginning, in Pierce County, Washington.

Situate in the County of Pierce, State of Washington.

Section 3. That the estimated cost and expense of the improvement is \$230,153.88; that \$44,434.78 of the cost thereof shall be contributed by Tacoma Power, through its 2005 Bond Fund 4700-05; and that the balance of \$185,719.10 shall be borne and assessed against the property included in the L.I.D.

Actual assessments may vary from assessment estimates, so long as the assessments do not exceed the increased true and fair value the improvement



1 adds to the property being assessed. At the option of the property owners, the
2 assessments levied against the property shall become due and payable in cash,
3 without interest, within thirty days after publication of notice of assessment, or in
4 twenty (20) equal annual installments with interest on deferred payments at a
5 rate to be hereafter fixed, but in no event greater than one-half percent above the
6 rate of interest fixed upon sale of bonds for the district; and each year one of
7 such installments, together with interest due thereon and on all installments
8 thereafter to become due, shall be collected in the manner provided by law.

9
10 Section 4. That a special fund is hereby created, to be called Local
11 Improvement Fund, District No. 7724, which shall consist in the aggregate of the
12 several amounts assessed, levied, and collected upon the several lots and
13 parcels of land in the local improvement district for the purpose of defraying the
14 cost and expense of the improvement to be borne by the property within the
15 district, and into which fund shall be deposited the proceeds of the sale of
16 warrants, installment notes, bond anticipation notes, or other short-term
17 obligations drawn against the fund which may be sold by the City. Out of the
18 fund shall be paid the warrants, installment notes, bond anticipation notes, or
19 other short-term obligations, interest thereon, and the cost of the improvement to
20 be borne by the property included in the district.

21
22 Section 5. The Director of the Department of Public Utilities is hereby
23 ordered to call for bids for said improvements, and to proceed and complete the
24 improvements and to make out and certify to the City Council an assessment roll,
25 all as provided by law.
26

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In case no bid is accepted, the Director of Public Utilities is hereby authorized to proceed and complete the improvement by the method of day labor or force account and by use of materials, supplies, and equipment, as authorized by the City Charter and ordinances of the City. The Director of Public Utilities shall keep a separate account of the expenditures as made and the exact cost of the improvements separately computed. Upon certification by the Director of Public Works that any sums are due to any person for labor or materials for the improvements, the proper officers shall issue a warrant therefor drawn upon the L.I.D. Fund, District No. 7724. The Director of Public Utilities shall certify to the City Council the assessment roll on the property as provided by law.

Section 6. Under the provisions of the laws of the state of Washington, amendments thereto, and this ordinance, there shall be issued warrants, installment notes, bond anticipation notes, or other short-term obligations, issued pursuant to Ordinance No. 23412, as it may be amended, in payment of the cost and expense of the district, payable out of the Local Improvement District Fund. Such warrants, installment notes, bond anticipation notes, or other short-term obligations shall bear interest from the date of their issuance at a rate to be hereafter fixed by the Director of the Department of Finance in accordance with the Ordinance No. 23412, and shall be redeemed from the Local Improvement District Fund or by other warrants, installment notes, bond anticipation notes, or other short-term obligations, or from the proceeds of local improvement bonds hereafter issued.

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1 improvements. Resolution No. 37278 is incorporated herein by reference as though fully set
2 forth.

3 2. Notices of public hearing for Local Improvement District (L.I.D.) No. 7724 were
4 published on September 20 and 21, 2007, and notices to affected property owners, which
5 included revised estimated costs, were mailed to owners of record on September 21, 2007.¹ An
6 Affidavit of Publication has been filed with the City Clerk as well as plans and estimates
7 required by said Resolution.
8

9 3. Pursuant to applicable laws and the direction of the Tacoma City Council, a public
10 hearing was held on October 8, 2007, to consider the formation of L.I.D. No. 7724.
11

12 4. The report of the Department of Public Works (hereinafter "DPW"), entered into the
13 record as Exhibit No. 1, indicates that the estimated project cost is \$219,998.29. The total
14 estimated project cost sum includes Tacoma Power's contribution of \$40,802.39 in addition to
15 the total estimated assessed cost to property owners of \$179,195.90. The proposed local
16 improvement district is a 20-year Assessment Roll.
17

18 5. Testimony by Ralph Rodriguez, representing the DPW, L.I.D. Section² establishes
19 the following:
20

21 _____
22 ¹ The DPW, L.I.D. Section advises that the current assessed construction costs were included in the notice mailed
23 to property owners on September 21, 2007. Those costs are an 18 to 19 percent increase from the original
24 construction costs quoted to the property owners at the time of initiation of the subject L.I.D..

25 ² In these proceedings, Mr. Rodriguez, by agreement between Tacoma Power and the Department of Public Works,
26 is providing administrative support for Tacoma Power in re: the subject L.I.D..

**FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND
RECOMMENDATION
(PROPOSED LID 7724)**

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Tacoma, WA 98402-3768
(253)591-5195 FAX (253)591-2003

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- a. The formation of the subject L.I.D. was initiated by the Tacoma City Council after receipt of an advisory petition signed by property owners representing 70.7 percent of the estimated assessments and 78.57 percent of parcels of property within the proposed L.I.D.³ and a favorable recommendation from the Public Utility Board.
- b. A "modified" zone and termini formula was used to determine the preliminary assessments for each property within the proposed L.I.D.. This methodology is summarized below:
 - (1) Properties within the proposed L.I.D. were divided into three categories:
 - (a) Neighborhood Improvement Zone— Properties on the downhill side where the utility lines are behind them.
 - (b) View Improvement Zone— Properties that look through the utility improvements but are not abutting.
 - (c) Neighborhood and View Improvement Zone – Properties that directly abut the proposed improvements and receive a view improvement.
- c. Should the L.I.D. be formed and the improvements constructed, the City would pay for a special benefit study, conducted by a qualified appraisal firm, to determine the special benefit of the proposed improvements constructed under the L.I.D. accruing to each property.

6. At hearing, the DPW, L.I.D. Section reported that two response letters were received consisting of one letter support from Carl D, Teitge and Leanna Long of 815 North Stadium Way

³ City Council L.I.D. policy provides the following in regard to initiation of L.I.D.'s: "...as a guide to City staff, the following levels of support have been deemed sufficient to initiate the formation of an L.I.D.:

- (a) Underground wire: sixty-six (66%) percent of the sum total of estimated assessments, and a majority of the parcels to be assessed..."

Resolution 32989, adopted April 25, 1995

**FINDINGS OF FACT,
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1 and one letter of protest from Dr. and Mrs. John Read, of 820 Stadium Way. Several property
2 owners (including Dr. Read) appeared at hearing and their testimonies are summarized below:

- 3
- 4 a. If above ground power utility poles are to remain standing, views would not
be improved and increased properties values would become questionable.
- 5
- 6 b. Decorative poles are preferred if above ground utility poles cannot be
removed.
- 7
- 8 c. Since the Water Utility Division has already marked areas within the
proposed L.I.D. boundaries, a question was raised as to whether other
9 utilities would be included in the underground utility conversion L.I.D..
- 10
- 11 d. Flooding on properties within the proposed L.I.D. and cliff stability are a
concern due to stormwater run-off.
- 12
- 13 e. Questions were raised concerning how much difference would be allowed
between the estimated assessed amounts and the actual costs a property
owner would be expected to pay.

14 7. The DPW, L.I.D. Section's responses are summarized below:

- 15 a. Any remaining utility poles with streetlights within the L.I.D., if formed,
16 would generally be reduced and topped to a height of between 14 and 15
feet.
- 17
- 18 b. Decorative lighting poles would not be erected as part of proposed
L.I.D. 7724; but could be in the future as part of a new and separate
L.I.D..
- 19
- 20 c. Replacement of water and sewer mains are not proposed as a part of the
subject L.I.D. but such work is planned by City utilities as general utility
21 upgrades in the area.
- 22
- 23 d. In response to concerns raised regarding estimated and actual costs
charged, the DPW explained that if, at the time of construction, the bids
24 exceed 10% of the estimated cost, the owners of properties within the

25
26 **FINDINGS OF FACT,
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L.I.D. would be polled to determine if they wish to proceed with the improvements or whether they wish to abandon the L.I.D..

8. Terrence Caillier, P.E., Tacoma Public Utilities, responded to the concern of whether above ground utility poles would remain and their impact on views and property values. Mr. Caillier identified which above ground utility poles would and would not remain. In addition, he noted that certain poles cannot be removed and will need to remain standing to function as guy wire poles.

9. At the conclusion of proceedings, the remonstrance to formation stood at 19.63%. However, at the time of the entry of the Hearing Examiner's Findings, Conclusions, and Recommendation, after the filing of additional protests, the remonstrance stands at 20.46% (see Exhibit 5).

10. The verbatim transcript in the referred-to matter is in the custody of the Examiner's office, the file is in the custody of the City Clerk, and both are available for review by the Council and any party in interest.

11. Any Conclusion of Law hereinafter stated which may be deemed to be a Finding of Fact herein is hereby adopted as such.

From these Findings of Fact come the following:

CONCLUSIONS OF LAW:

1. The Hearing Examiner has jurisdiction in the matter. *TMC 1.23.050.A.2.*

**FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND
RECOMMENDATION
(PROPOSED LID 7724)**

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1 2. The DPW has complied with all applicable laws with respect to the formation of
2 Local Improvement District No. 7724.

3 3. The purposes of the initial hearing in regard to formation of L.I.D.s are to determine
4 if the formation of the district should proceed and if the limits of the district are proper.

5 *Chandler v. City of Puyallup*, 70 Wash. 632, 633 (1912). Accordingly, the only issues properly
6 presented during the formation stage of the L.I.D. process are:

7 (a) The jurisdiction or authority of the city to proceed with creating the
8 district.

9 (b) The proper boundaries of the district.

10 *Underground Equality v. Seattle*, 6 Wn. App. 338, 342, 492 P.2d 1071 (1972)

11 4. There has been no dispute presented in this proceeding relative to the City of
12 Tacoma's (City) authority to create the subject L.I.D..⁴ The City's authority to create an L.I.D.
13 initiated by resolution of the local legislative body, as is the case here, is statutorily limited
14 only by the following provision:
15

16 **35.43.180 Restraint by protest.** The jurisdiction of the legislative
17 authority of a city or town to proceed with any local improvement initiated

18
19 ⁴RCW 35.43.040 provides, in pertinent part, that:

20 "...Whenever the public interest or convenience may require, the legislative authority of any city or town
21 may order the whole or any part of any local improvement including but not restricted to those, or any
22 combination thereof, listed below to be constructed, reconstructed, repaired, or renewed and landscaping
23 including but not restricted to the planting, setting out, cultivating, maintaining and renewing of shade or
24 ornamental trees and shrubbery thereon; may order any and all work to be done necessary for completion
25 thereof; and may levy and collect special assessments on property specially benefited thereby to pay the
26 whole or any part of the expense thereof, viz:

- (12) Underground utilities transmission lines.

**FINDINGS OF FACT,
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by resolution shall be divested by a protest filed with the city or town council within thirty days from the date of passage of the ordinance ordering the improvement, signed by the owners of the property within the proposed local improvement district or utility local improvement district subject to sixty percent or more of the total cost of the improvement including federally-owned or other non-assessable property as shown and determined by the preliminary estimates and assessment roll of the proposed improvement district or, if all or part of the local improvement district or utility local improvement district lies outside of the city or town, such jurisdiction shall be divested by a protest filed in the same manner and signed by the owners of property which is within the proposed local improvement district or utility local improvement district but outside the boundaries of the city or town, and which is subject to sixty percent or more of that part of the total cost of the improvement allocable to property within the proposed local improvement district or utility local improvement district but outside the boundaries of the city or town, including federally-owned or other non-assessable property: . . .
(Emphasis supplied.)

RCW 35.43.180.

5. The City Council has the authority by statute to proceed with the formation of L.I.D. 7724 under RCW 35.43.180 since the protest is less than 60%; however, the City Council has further limited its authority to proceed with the formation of an L.I.D. through the adoption of a formal policy of not forming such districts if the protest to formation is 50 percent or greater.⁵ Since the remonstrance is below 50 percent, the City clearly has the

⁵ Resolution 32989, adopted April 25, 1995 provides in pertinent part as follows:

"2. In proposed local improvement districts in which the number of assisted property owners constitutes less than twenty-five percent (25%) of the total number of property owners, the proposed local improvement district shall not be formed if the City has received written protest signed by the owners of the property within the proposed local improvement district subject to more than fifty percent (50%) of the total cost of the improvement."

**FINDINGS OF FACT,
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1 authority by statute and its own adopted L.I.D. policy to proceed with the formation of
2 L.I.D. 7724.

3 6. All properties within proposed L.I.D. 7724 would be specially benefited by the
4 proposed improvements and the boundaries proposed for the local improvement district are
5 proper and only include those properties that would be specially benefited by the proposed
6 improvement.

7 7. Based on the foregoing the Hearing Examiner concludes that L.I.D. 7724 should be
8 formed.

9 8. Any Finding of Fact hereinbefore stated which may be deemed to be a Conclusion
10 of Law herein is hereby adopted as such.

11 From these Conclusions of Law is entered this:

12
13 **RECOMMENDATION:**

14 Based on applicable Tacoma City Council policies with respect to formation of local
15 improvement districts, the Hearing Examiner recommends the formation of Local
16 Improvement District No. 7724.

17 **DATED** this 7th day of November, 2007.

18
19 
20 **RÓDNEY M. KERSLAKE, Hearing Examiner**

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22
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24
25 **FINDINGS OF FACT,
26 CONCLUSIONS OF LAW, AND
RECOMMENDATION
(PROPOSED LID 7724)**

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