



TO: Elizabeth A. Pauli, City Manager
FROM: Jeff H. Capell, Hearing Examiner *JHC*
Ralph K. Rodriguez, LID Administrator, Public Works Engineering Division *RKR*
COPY: City Council and City Clerk
SUBJECT: Ordinance Request No. 24-0261 - LID No. 8642 Final Assessment - March 26, 2024
DATE: March 11, 2024

SUMMARY AND PURPOSE:

An ordinance approving and confirming the Final Assessment Roll for Local Improvement District No. 8642, which provided for the construction of permanent pavement and the installation of concrete curbs and gutters, and storm water catch basins where needed at the following locations:

- 1) Mullen Street from North 42nd Street to North 43rd Street;
- 2) North 40th Street from Baltimore Street to Bennett Street;
- 3) Mason Avenue from North 35th Street to North 36th Street;
- 4) Cheyenne Street from North 37th Street to North 38th Street; and
- 5) Fir Street from North 15th Street to North 17th Street.

As just numbered, these areas of the overall LID are referred to as Segments 1 through 5 respectively.

BACKGROUND:

The Hearing Examiner’s recommendation to confirm and approve the Final Assessment Roll for Local Improvement District No. 8642 (“LID 8642” or the “LID”) is based on the evidence and testimony presented at the public hearing held on February 1, 2024. The construction of permanent pavement and the installation of concrete curbs and gutters, storm drain lines, and storm water catch basins, in all LID Segments has been completed in accordance with the plans and specification for the work. The final project cost is \$2,204,771.31, of which \$343,937.35 is proposed for assessment to benefitted property owners. The City contributed \$811,897.29 to the total project cost. In addition to that general amount, the City’s Wastewater Utility contributed \$454,186.59, the City’s Surface/Storm Water Utility contributed \$299,205.61, and Tacoma Water contributed \$295,544.47, each for respective specific improvements. The LID is intended to be a 10-year assessment roll and the final assessments are based on a cost per Assessable Unit of Frontage (AUF) of \$52.00. One property owner within LID 8642 contested their proposed assessments in writing prior to the hearing and one property owner contested the proposed assessments in writing after the issuance of the Examiner’s recommendation. The evidence presented demonstrates that the Final Assessment Roll conforms to applicable legal requirements, and the Examiner recommends approval of the Assessment Roll for LID 8642.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

All property owners within the boundary of the LID were notified of the public hearing, held on February 1, 2024, at which they could attend to express their concerns and voice support for, or opposition to the Final Assessment Roll of LID 8642. During the hearing, a few property owners asked clarifying questions to the City’s Department of Public Works LID Section’s representative. Property owners within the LID boundary have benefitted (a) from the improvements, (b) from the option of receiving long-term financing from the City, and (c) from the City’s contribution to the LID.



2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

Positive impacts on equity and accessibility result from the benefit the improvements provide to the property owners within the LID that now enjoy safer alleyways and better drainage.

Economy/Workforce: Equity Index Score: Moderate Opportunity

Increase the number of infrastructure projects and improvements that support existing and new business developments.

Livability: Equity Index Score: Moderate Opportunity

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

Explain how your legislation will affect the selected indicator(s).

The confirmation of the Final Assessment Roll for LID 8642 recognizes public improvements made to the LID area and the benefit property owners within the LID boundary experience from these same improvements.

ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. The Council could approve the LID Final Assessment Roll under different terms than those recommended.	Any positive impact arising from varying from the Examiner’s recommendation would depend on what those variations are.	Any variation from the current recommendation could potentially delay finalization of the Assessment Roll, which could potentially postpone obtaining permanent financing and repayment by the property owners (and the City) for the improvements.
2. The Council could reject the Final Assessment Roll of the LID.	The most positive impacts come from approving the LID 8642 Final Assessment Roll.	The most positive impacts come from approving the LID 8642 Final Assessment Roll, initiating reimbursement to the City for the owner’s share of the improvements.

EVALUATION AND FOLLOW UP:

All evaluation and follow up should be coordinated between the appropriate City department and property owners within the LID.

STAFF/SPONSOR RECOMMENDATION:

The Hearing Examiner recommends that the Assessment Roll for Local Improvement District No. 8642 be approved and finalized.



FISCAL IMPACT:

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1. LID Assessments	PWK-00402-FS-AD-03	6398645	\$343,937.35
2. Transportation Capital Fund, 1060		4335410	\$811,897.29
3. Surface Water Utility	ENV-00349-01	4300020	\$299,205.61
4. Wastewater Utility	ENV-00470		\$454,186.59
5. Tacoma Water	WTR-00308-01		\$295,544.47
TOTAL			\$2,204,771.31

What Funding is being used to support the expense?

Funding was approved and authorized with the adoption of Ordinance 27500, creating LID 8642.

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

YES

Funding was approved and authorized with the adoption of Ordinance 27500, creating LID 8642.

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

YES

Interim Financing will continue until replaced with reimbursable long-term financing.

Will the legislation have an ongoing/recurring fiscal impact?

NO

Will the legislation change the City’s FTE/personnel counts?

NO

The work is completed.

ATTACHMENTS:

- The Hearing Examiner’s City Council Action Memorandum, dated March 11, 2024.
- The Hearing Examiner’s Findings of Fact, Conclusions of Law, and Recommendation, with Attachment 1, issued on February 13, 2024.
- The City’s Witness List, Exhibit List, and Exhibits C-1 through C-7.
- Two LID property owner comments.
- Verbatim electronic recording from the hearing held on February 1, 2024.