

**ATTACHMENT 3  
Supplemental Recommendation  
After Remand; L.I.D. 8645  
(Assessment Roll)**

**Legg, Louisa**

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**From:** Meyers, Aundrea on behalf of Hearing Examiner  
**Sent:** Monday, August 20, 2018 3:03 PM  
**To:** 'Heather Burgess'; Victor, Steve(Legal); 'marcher@gth-law.com'  
**Cc:** Krupa, Angie (Legal); Rodriguez, Ralph; Garrison, Michael  
**Subject:** RE: HEX2017-004 - LID 8645

Good Afternoon,

I'm sending the following on behalf of the Hearing Examiner:

Ms. Burgess:

Thank you for the additional information. Your client, the YWCA, appears to have done its part. Any additional information needed to address the City Council's remand order should be coming from the City, and to a lesser extent, Mr. Riley. Thanks.

Jeff H. Capell  
Hearing Examiner  
City of Tacoma  
(253) 591-5195

Sincerely,

Aundrea Meyers  
Office Assistant  
Office of the Hearing Examiner  
City of Tacoma  
253.591.5195  
[hearing.examiner@cityoftacoma.org](mailto:hearing.examiner@cityoftacoma.org)

**From:** Heather Burgess [mailto:hburgess@phillipsburgesslaw.com]  
**Sent:** Monday, August 20, 2018 10:06 AM  
**To:** Hearing Examiner ; Victor, Steve(Legal) ; 'marcher@gth-law.com'  
**Cc:** Krupa, Angie (Legal) ; Rodriguez, Ralph ; Garrison, Michael  
**Subject:** RE: HEX2017-004 - LID 8645

Dear Hearing Examiner Capell:

With respect to the YWCA, we submitted detailed information regarding restrictions, usage, and affordable housing development of each of the parcels on the assessment roll for the LID in order to allow the City to develop a special assessment that reflected the unique nature of the YWCA as a non-profit per the Council's directive on remand. This information, analysis and additional discussion resulted in the parties reaching the agreed parcel-by-parcel assessment amounts reflected in the settlement agreement, which were in turn based upon uses. It is my understanding that the YWCA was the only non-profit entity within the LID assessment area. I do not have a figure for a where the overall assessment came out relative to the 1% to 4% range and given the site-specific analysis that was employed to reach the final agreement.

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Please let me know if you need anything else.

Best,

Heather  
**Heather Burgess**  
Attorney  
[hburgess@phillipsburgesslaw.com](mailto:hburgess@phillipsburgesslaw.com) | [website](#) | [v-card](#)

724 Columbia St. NW, Suite 320, Olympia, WA 98501 | [360.742.3500](tel:360.742.3500)  
505 Broadway, Suite 408, Tacoma, WA 98402 | [253.292.6640](tel:253.292.6640)

**From:** Hearing Examiner [<mailto:hexcal@cityoftacoma.org>]  
**Sent:** Wednesday, August 15, 2018 4:50 PM  
**To:** Victor, Steve(Legal); 'marcher@gth-law.com'; Heather Burgess  
**Cc:** Krupa, Angie (Legal); Rodriguez, Ralph; Garrison, Michael  
**Subject:** HEX2017-004 - LID 8645  
**Importance:** High

Good Afternoon,

I'm sending the following on behalf of the Hearing Examiner:

Dear Parties:

Thank you for the draft Settlement Agreement (Riley) and letter/term sheet (YWCA) forwarded by e-mail on July 30, 2018. I am checking in with you to see if there is an ETA for execution of settlement agreements with both parties. I have been working on the City Council documentation that would return this matter to that body for its legislative determination, but the agreements between the City of Tacoma, and Riley and the YWCA respectively need to be finalized for that to happen.

Upon further reflection after our status conference on July 30, 2018, I have determined that LID 8645's return to the Council after remand should be accompanied by an Addendum to the original Recommendation explaining what happened during the "remand" time period and making a current recommendation to the City Council in accordance with my charge as the Council's hearing officer and as directed in the Council's remand order.

Not surprisingly, the recommendation regarding the Riley and YWCA properties will be to follow what has been agreed upon by the parties. Obviously, a lot of work and discussion has gone into the parties arriving at these figures and I have no intention of second guessing the parties' agreements at this point.

I would request, however, given the wording of the City Council remand regarding "office/retail/commercial properties" generally, that the City let me know its intention regarding the non-Riley/non-YWCA owned office/retail/commercial properties in LID 8645 in order to address these properties in the Recommendation Addendum for the return trip to the City Council. I certainly have my own views on that issue having "review[ed] the record" as ordered by the Council, and also reviewing applicable laws, but would like to know

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where the City stands in that regard. I also need to know if the City is finished with its additional legwork that would allow it “to prepare and submit a new assessment based on a special benefits analysis that takes into consideration the not-for-profit nature of these (non-profit) entities” also as ordered in the Council’s remand.

Lastly, and although I can do the math on my own, I would ask that the parties to this e-mail provide a simple summary of where the percentage of assessment came out (4% ~ 1% being the range of discussion on remand) for the Riley and YWCA properties, in their view, in order to provide that information to the Council given the wording of the remand. For whatever help it provides, I have reproduced the language of the City Council remand below. I look forward to your response. Thanks.

Jeff H. Capell  
Hearing Examiner  
City of Tacoma  
(253) 591-5195

1. Council rejects the use of a four percent (4%) benefit for Office/Retail/Commercial properties, and remands to the Hearing Examiner to review the record or allow the record be supplemented to determine support for the use of a one percent (1%) benefit to be used for all Office/Retail/Commercial properties and allow property owners an opportunity to object to any new assessment roll created.
2. Council remands to the Hearing Examiner the general assessments recommended for all non-profit entities including the YWCA Pierce County and directs the Public Works Department to prepare and submit a new assessment based on a special benefits analysis that takes into consideration the not-for-profit nature of these entities.
3. Council accepts the recommendation of the Hearing Examiner to reduce the interest payment to \$331,500 and directs the City to not assess the property owner's additional interest that may accrue while the final assessment role is prepared.

Sincerely,

**Louisa Legg**  
Office Administrator  
Tacoma Hearing Examiner Office  
P: 253-591-5195 | Fax: 253.591.2003  
Hearing.examiner@cityoftacoma.org

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**Legg, Louisa**

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**From:** Archer, Margaret <marcher@gth-law.com>  
**Sent:** Friday, August 24, 2018 5:01 PM  
**To:** Hearing Examiner; Victor, Steve(Legal); 'Heather Burgess'  
**Cc:** Krupa, Angie (Legal); Rodriguez, Ralph; Garrison, Michael  
**Subject:** RE: HEX2017-004 - LID 8645  
**Attachments:** 2018 08 14 Settlement Agreement (signed by Riley's).pdf

Dear Hearing Examiner Capell:

With respect to the Riley parcels, the analysis started with an assumption of 2% special benefit for the retail parcel based upon information in the record and further discussions. Riley presented information with regard in support of his position that the special benefit value was likely less, however, the 2% starting point as agreed to as a negotiated compromise that both parties concluded could find support from the record. Further adjustments were in light specific circumstances unique to individual parcels within the LID. This information was evaluated through additional discussion between the parties that resulted in the parties' reaching the agreed parcel-by-parcel assessment amounts reflected in the settlement agreement. I believe that with the adjustments, the special benefit value applied to Riley's collective retail parcels was approximately 1%. No adjustment was made to Riley's parcels designated as Vacant Land.

The Rileys have signed the Settlement Agreement (see attached) and it was forwarded to the City.

Please let me know if you require additional information.

**Margaret Archer**

**Attorney at Law**  
T 253 620 6550  
F 253 620 6565

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**From:** Hearing Examiner [mailto:hexcal@cityoftacoma.org]  
**Sent:** Wednesday, August 15, 2018 4:50 PM  
**To:** Victor, Steve(Legal); Archer, Margaret; 'Heather Burgess'  
**Cc:** Krupa, Angle (Legal); Rodriguez, Ralph; Garrison, Michael  
**Subject:** HEX2017-004 - LID 8645  
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