



TO: Elizabeth Pauli, City Manager
FROM: Jeff Robinson, Director, Community and Economic Development
COPY: City Council and City Clerk
SUBJECT: Resolution Authorizing the Use of General Funds for contribution to Asia Pacific Cultural Center’s redevelopment campaign – October 1, 2019
DATE: October 15, 2019

SUMMARY:

Resolution authorizing the one-time payment of \$250,000 from the General Fund to support the predevelopment costs of the Asia Pacific Cultural Center’s (APCC) capital campaign to redevelop the 4851 South Tacoma Way, Tacoma, WA site. The planned project will be a mixed-use residential and commercial facility that will offer expanded services and mixed-income housing, and the redevelopment is contingent on securing sufficient funds to complete the project; and, subject to the terms and conditions in the attached agreement herein stating the deliverables required in return for the City’s contribution.

COUNCIL SPONSORS:

Mayor Woodards, Council Member Mello, and Council Member Blocker.

STRATEGIC POLICY PRIORITY:

The use of the General Funds for this purpose best aligns with the following strategic policy priorities:

- Encourage thriving residents with abundant opportunities for life-long learning.
- Cultivate a vibrant cultural sector that fosters a creative, cohesive community.

BACKGROUND:

Asia Pacific Cultural Center (APCC) serves as an interactive cultural crossroads between local and international communities. APCC is a 501(c)3 non-profit organization formed in November 1996 from the vision of a small group of citizens representing three generations of Americans from Asian and Pacific Islanders heritage. APCC represents 47 countries and cultures, offering programs and services honoring their distinct artistry, business protocols, history and social practices. Asian American, Native Hawaiian, and Pacific Islander communities are some of the fastest growing in the Puget Sound area, and these households within our diverse communities will need resources and representation for decades to come. The Board of Directors at APCC consists of numerous community leaders and cultural advocates from around the region.

APCC provides interactive arts and culture activities that engage the community, promote a greater understanding of the Asian and Pacific Islander culture, and help people embrace the rich diversity of our City. They offer a wide range of activities including hands-on workshops, classes, and educational booths, as well as large-scale cultural exhibitions and festivals. Participants learn from and interact with Cultural Interpreters who are from these countries, speak the language and are highly experienced and knowledgeable, providing authentic teachings that are true and respectful of the culture and people in our community.

APCC is currently planning a redevelopment of the site of the current cultural center located at 4851 South Tacoma Way, Tacoma, WA 98409 (formerly the South Park Community Center). The new, mixed-use residential and commercial facility will offer expanded services and mixed-income senior housing. Redeveloping this property will modernize their current facility, revitalize the neighborhood and support



local residents by continuing to provide enhanced programs to encourage cultural awareness dialogue to improve the quality of life for the citizens of Tacoma.

The total project cost is estimated at \$70 million and includes a \$38 million cultural center on the first two levels, as well as housing units for seniors on the top floors estimated at \$28 million. The housing portion of the project is anticipated to include City, County and State funding, Federal low income housing tax credits, and any available HUD funding. Additional redevelopment funding sources being pursued by APCC include state grants, private contributions and fundraising, new market tax credits if available, and an EB5 investment. A financial commitment from the City of Tacoma for the project's predevelopment costs will help to secure future funding from additional partners and is critical to APCC's ability to reach the project fundraising goal.

We are requesting authorization from City of Tacoma officials to provide one-time funding in support of APCC's project subject to the terms and conditions stated in the attached Agreement. This one-time funding amount of \$250,000.00 designated for predevelopment costs was included and approved in the fiscal years 2019-2020 budget by request of Mayor Woodards, Council Member Mello, and Council Member Blocker.

This funding may only be used for predevelopment costs associated with market studies, architectural, engineering, and environmental and geotechnical services. The funding may NOT be used for appraisals or legal fees, developer or project management fees, or any soft cost contingencies.

ISSUE:

In order to authorize the use of General Funds for this purpose, a resolution must be adopted.

ALTERNATIVES:

The City Council could choose to reject this funding resolution which will create a hardship in APCC's ability to reach their project fundraising goal.

RECOMMENDATION:

The sponsoring Mayor and Council Members recommend authorizing the use of General Funds for this purpose. This new development will provide a modernized cultural center, offer mixed-income senior housing, revitalize the neighborhood and support local residents by continuing to provide enhanced programs that encourage cultural awareness, improve the quality of life for citizens, and provide additional tourist attractions for the City of Tacoma.



FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
0010 General Fund -	654000	6545000	\$250,000
TOTAL			\$250,000

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
0010 General Fund -	Various	Various	\$250,000
TOTAL			\$250,000

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$250,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes