



City of Tacoma

City Council Action Memorandum

**TO:** Elizabeth Pauli, City Manager  
**FROM:** Felicia Medlen, Division Manager, Housing  
Jeff Robinson, Community and Economic Development Director  
**COPY:** City Council and City Clerk  
**SUBJECT:** Resolution- Surplus Sale: 6729-6737 South Proctor  
**DATE:** October 31, 2023

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### **SUMMARY AND PURPOSE:**

A resolution declaring surplus and authorizing the execution of a Quit Claim Deed to convey vacant undeveloped residential property at 6729,6732, 6733, and 6737 S Proctor Street to Louis Rudolph Homes, LLC.

### **BACKGROUND:**

**This Department's Recommendation is Based On:** This property was acquired with funds from the Urban Development Action Grant (UDAG) loan fund administered by and within the budget of, the Department of Community & Economic Development. The acquisition allowed for the payoff of a local improvement district (LID) liability that was encumbering property. The property was acquired with the intention of removing the LID liability and identifying a developer to build housing, a portion of which will become affordable home ownership for low-income households. The developer, Louis Rudolph Homes, LLC, was identified through a direct negotiation process. The project scope has been finalized and the developer has secured private construction financing for the project. With these details in place the property is ready to be transferred.

### **COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

In accordance with the 2019 City Policy for the Sale/Disposition of City-owned Real Property, this surplus property was offered to the Puyallup Tribe of Indians for consideration of their first rights of refusal and was determined not to meet their current needs for acquisition.

There has not been any explicit engagement with the community on this property however, affordable housing comes up as a consistent need voiced by the community; the development aligns with the City's Affordable Housing Action Strategy under the Objective 1, Create More Homes for More People.

### **2025 STRATEGIC PRIORITIES:**

#### **Equity and Accessibility: *(Mandatory)***

Please state how this legislation will reduce racial and other inequities, disparities, or discrimination to under-represented communities. Please state what positive impacts on equity, equality, diversity or inclusion, if any, would result from enacting this legislation.

50% of the units resulting from the sale of this property will be made available to Black households as component of the City's participation in the Black Home Initiative and affirmative marketing efforts. The need for more units and resources targeted toward Black households was a recommendation from the City's 2021 Homeownership Disparity Study and this project will advance efforts to address that recommendation. This project will also restrict 50% of the units to households at or below 80% area median income (AMI). This advances the City's efforts to increase the availability of affordable homeownership units in the City.

#### **Economy/Workforce: *Equity Index Score: Moderate Opportunity***

Increase the percentage of people relocating to the city and affordability of housing compared to neighboring jurisdictions.



**Livability: Equity Index Score:** Moderate Opportunity

Decrease the percentage of individuals who are spending more than 45% of income on housing and transportation costs.

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

This property sale will result in at least 12 homeownership units 50% of which will be restricted to homebuyers at or below 80% AMI.

**ALTERNATIVES:**

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Deny conveyance	None	12 fewer housing units would be developed including 6 fewer affordable units and the City would continue to own and maintain the land.

**EVALUATION AND FOLLOW UP:**

N/A

**STAFF/SPONSOR RECOMMENDATION:**

The Community and Economic Development Department recommend Council approve the Declaration of Surplus and execution of a Purchase and Sale Agreement and related exhibits and execution of a Quit Claim Deed to Louis Rodolph Homes LLC.

**FISCAL IMPACT:**

Receipt of revenues will have a positive fiscal impact.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1. Revenue: 1195-UDAG	852400	6411030	-\$760,000
2. Expense	n/a	n/a	n/a
<b>TOTAL</b>			

**What Funding is being used to support the expense?**

N/A

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

NO, PLEASE EXPLAIN BELOW

There are no expenditures. Revenues from the sale will be incorporated into the CED budget once received to support additional projects.

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

No



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**Will the legislation have an ongoing/recurring fiscal impact?**

No

**Will the legislation change the City's FTE/personnel counts?**

No

**ATTACHMENTS:**

- Site Location Map
- Purchase and Sale Agreement