



**TO:** Elizabeth A. Pauli, City Manager  
**FROM:** Jeff H. Capell, Hearing Examiner *JHC*  
Troy Stevens, Senior Real Estate Specialist, Public Works Real Property Services *tas*  
**COPY:** City Council and City Clerk  
**SUBJECT:** Ordinance Request No. 21-0249 – Street Vacation 124.1409 – March 30, 2021  
**DATE:** March 8, 2021

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**SUMMARY AND PURPOSE:**

An ordinance vacating the alley right-of-way lying between South 11th and South 12th Streets, and Martin Luther King Jr. Way and South J Street.

**BACKGROUND:**

The Hearing Examiner’s recommendation is based on the evidence and testimony presented at a public hearing held on February 11, 2021. The Vacation Area (as defined in the Hearing Examiner’s Report and Recommendation) is the alley right-of-way lying between South 11th and South 12th Streets, and Martin Luther King Jr. Way and South J Street. The vacation is requested by Petitioners FORTERRA HILLTOP EAST LLC and FORTERRA HILLTOP WEST LLC to facilitate a mixed use development of affordable housing, and office and small business space. The Petitioners have requested waiver of the market value payment by the City Council because they will be providing affordable housing and small business space once their intended project is complete. Approving the vacation, as conditioned, will not landlock any abutting property, nor will it otherwise affect any existing access or traffic need. The City does not have, or see any future, need for the Vacation Area as right-of-way. It has been determined that the petition meets the criteria set forth in Tacoma Municipal Code 9.22.070 and is not in violation of RCW 35.79.035 regarding proximity to water.

**COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

A public hearing was held on this petition on February 11, 2021, at which members of the community could attend and express their concerns with and/or support for the proposed right-of-way vacation. No members of the public appeared. The vacation will benefit the Petitioners by allowing the realization of their plan to build a mixed use development consisting of affordable housing, and office and small business space. If approved, and upon completion of the Petitioners’ project, the vacation will benefit the surrounding community by offering much needed affordable housing and office space in the Hilltop neighborhood.



**2025 STRATEGIC PRIORITIES:**

**Equity and Accessibility:**

The primary positive impact on equity, equality, diversity or inclusion that could result from approving this alley vacation would be the resulting increase to available affordable housing within the City upon completion of the Petitioners’ intended affordable housing project. As the City Council is acutely aware, affordable housing is in short supply in the Tacoma market.

**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.

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

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

If approved the alley vacation will allow the Petitioners to complete their intended development, the result of which will end up increasing affordable housing and office space in the City.

**ALTERNATIVES:**

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. The Council could approve the vacation request under conditions different than those recommended.	Any positive impacts arising from different conditions would depend on what those conditions are.	Any difference in conditions imposed would have to find justification outside of the City’s current position, i.e., of not needing the Vacation Area as public right-of-way.
2. The Council could deny the vacation petition.	The most positive impacts come from approving the vacation. Denial simply maintains the status quo of encumbering the abutting property with an unneeded right-of-way interest.	The most positive impacts come from approving the vacation. Denial simply maintains the status quo preserving the City’s unneeded public right-of-way interest.



**EVALUATION AND FOLLOW UP:**

The recommendation on the vacation petition is subject to the conditions listed in the Hearing Examiner's Report and Recommendation to the City Council, issued on February 17, 2021. All evaluation and follow up should be coordinated between the Petitioners and the appropriate City Departments referenced in the Report and Recommendation.

**STAFF/SPONSOR RECOMMENDATION:**

The Hearing Examiner recommends approval of the requested vacation, subject to the conditions contained in Conclusion 8 of the Hearing Examiner's Report and Recommendation, which includes granting the Petitioners' request for a waiver of payment of compensation for the vacation once a mutually acceptable Public Benefits Agreement has been entered into prior to finalization of the vacation.

**ATTACHMENTS:**

The following attachments can be found in Legistar:

- The Hearing Examiner's City Council Action Memorandum, dated March 8, 2021.
- The Hearing Examiner's Report and Recommendation to the City Council, issued on February 17, 2021.
- The City's Exhibit List and Exhibits C-1 through C-16.
- Verbatim electronic recording from the hearing held on February 11, 2021.