

Tier 1 Property Review

City of Tacoma

Community and Economic
Development Department

Public Works Department

Economic Development Committee
December 9, 2014



Tier 1 Property Update

- Provide information on City-owned properties that staff have classified as 'Tier 1'.
- Communicate status of City efforts to market, sell, and re-develop select 'Tier 1' properties.

Background

- August 2012 City Council adopted Resolution 38529 which established policy and framework for the disposition of City-owned property.
- Surplus properties are ‘classified’ into three tiers with differing policy objectives.
- Staff reviewed properties and classified thirteen Tier 1 properties.

Background

- **Tier 1 Properties generally align with the following criteria:**

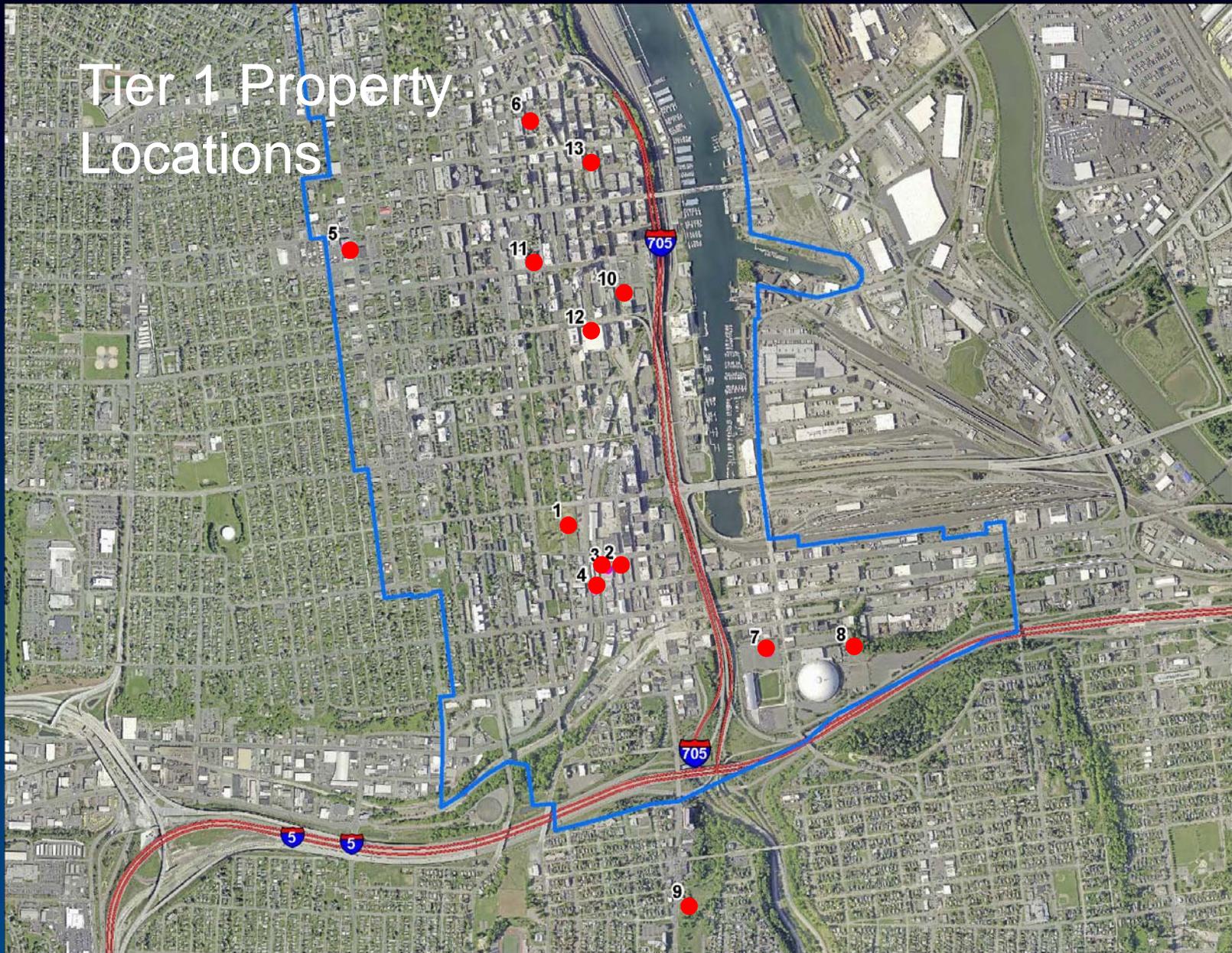
(1) Strategically located in the downtown or a mixed-use center with high visibility;

(2) High value (greater than \$500,000) and sizable (one-third of an acre or greater);

(3) Potential to generate a high level of community interest ; and

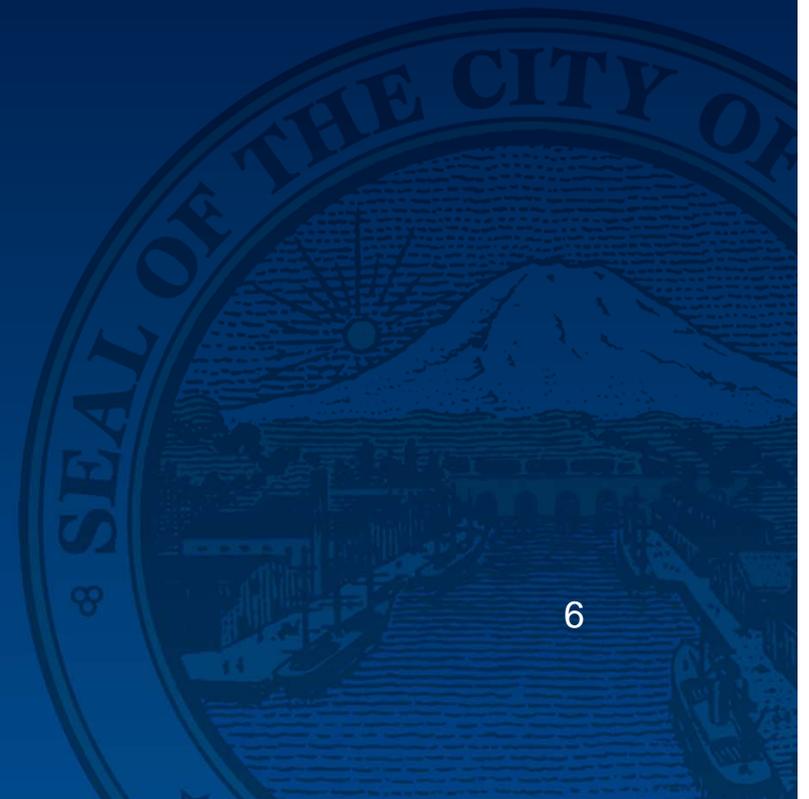
(4) Can be instrumental in meeting City's economic development goals and/or in implementing key policies.

Tier 1 Property Locations

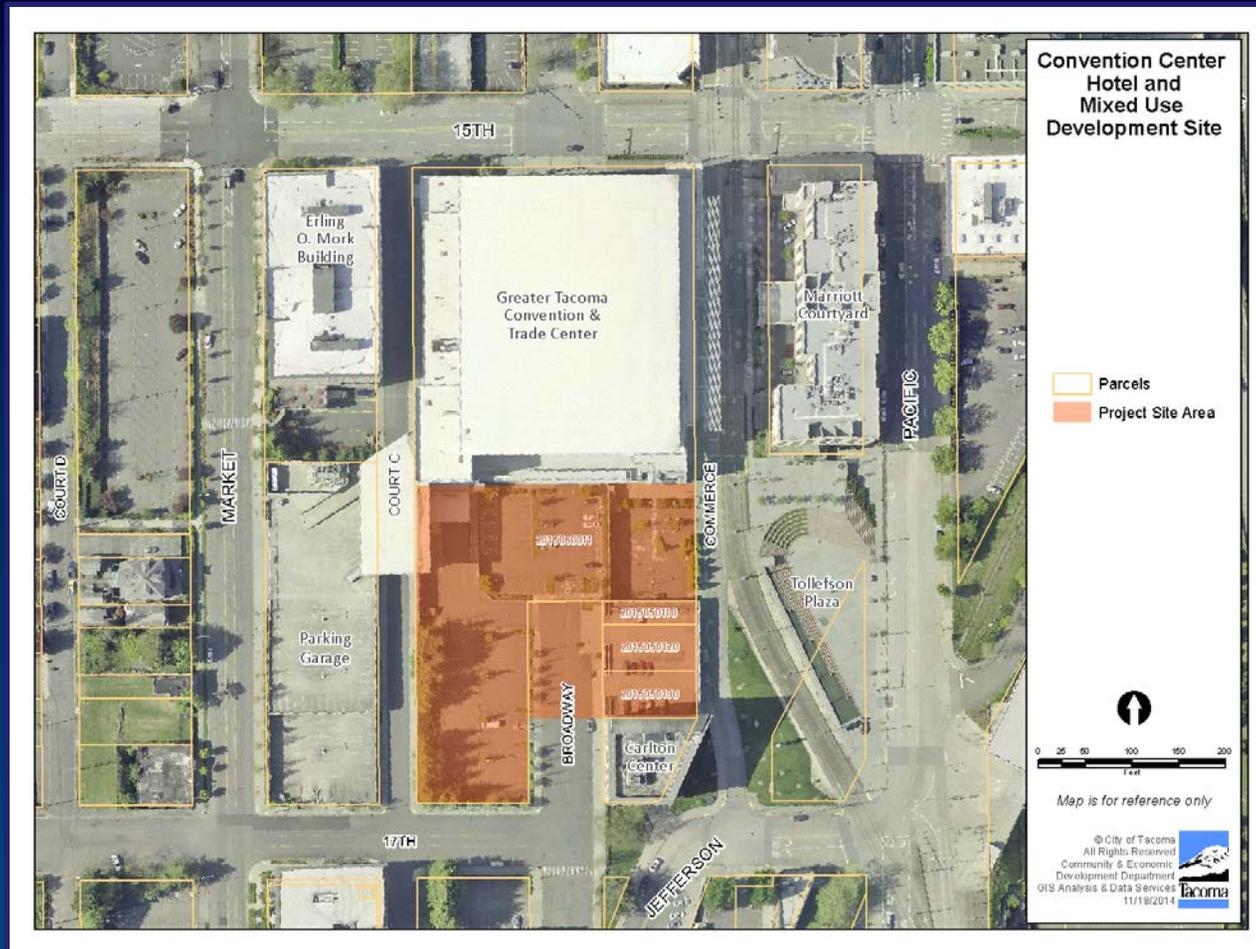


Tier 1 Property List

- Convention Center Parking Lots
- 1110-1124 MLK/James Walton Renaissance Site
- 21st and Jefferson
- Tacoma Dome Lot A
- Tacoma Dome Lot G
- 35th and Pacific
- 2308 Holgate
- Street Operations Administration
- Street Operations Yard
- Municipal Parking Lot
- Park Plaza North
- Sauro Site
- Beacon Senior Center



Convention Center Parking Lots

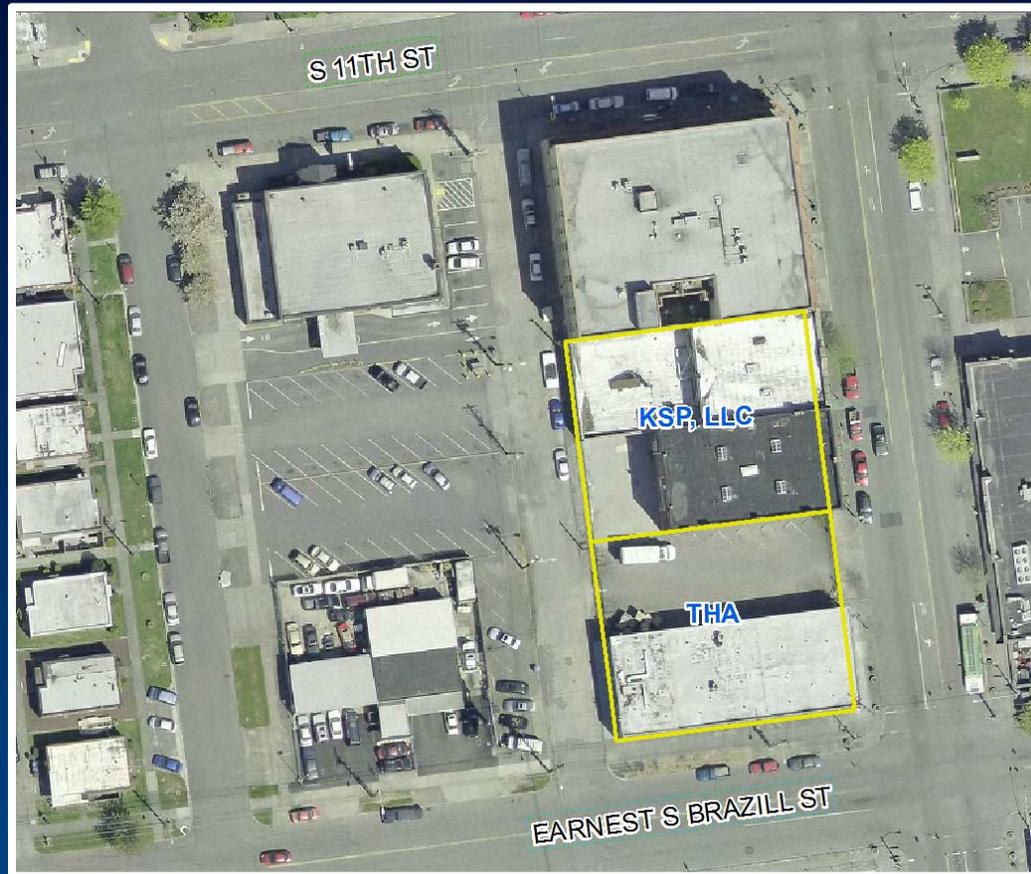


Status

- Purchase and Sale and Development Agreement Approved November 18, 2014



James L. Walton Renaissance 1110-1124 Martin Luther King Jr. Way



1110-1114 MLK: Existing



1110-1114 MLK: Design Concept



1120-1124 MLK Existing Condition



1120-1124 MLK



21st and Jefferson



Opportunities/Constraints

- OPPORTUNITIES

- Prime candidate for catalytic, high-density, mixed –use project(s) targeting residential development.
- Priority for Hillside Development Council.
- Synergize with UWT Development.

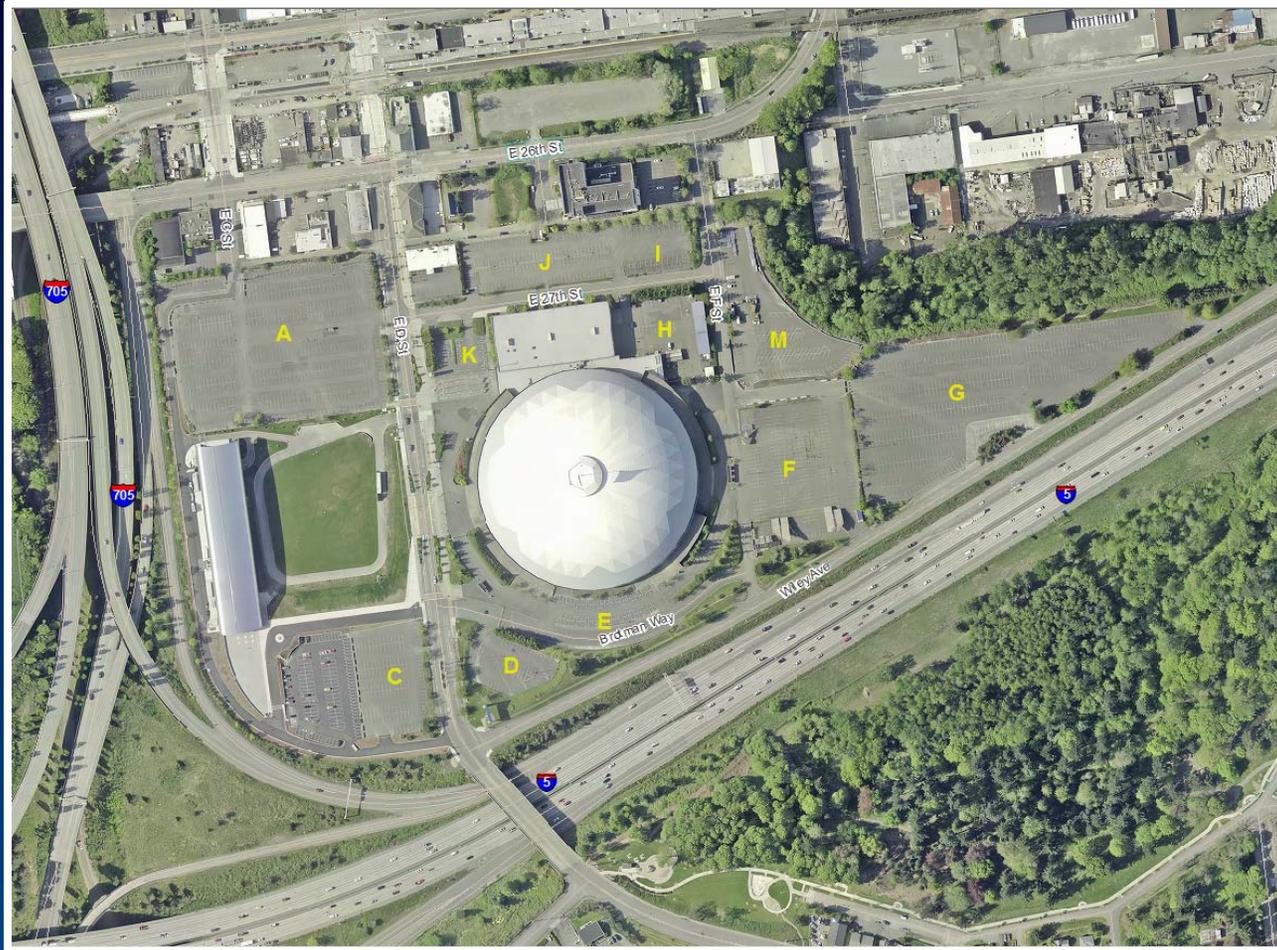
- CONSTRAINTS

- \$12.7M debt pledged against property.

Status

- RFP issued May, 2013
- Responsive Proposals Were Not Received
- Continue to Market Property for Large Mixed Use Development
- Direct Negotiations Currently an Option for Proposals that Meet Intent of RFP and Sub-Area Plan

Dome Parking Lots



Opportunities/Constraints

- OPPORTUNITIES

- Improve Physical Visibility/Attractiveness of Tacoma from I-5
- Good Connections with Dome and LeMay
- Excellent Access – All Transportation Modes
- Provide Additional Amenities for Dome/LeMay Event Attendees

- CONSTRAINTS

- Need to Offset Dome Parking Revenue Loss

Status

- Analyzing Potential for Retail/Entertainment on Portions of Parking Lots
- Considering Releasing an RFQ/RFP for Master Developer to Build Entertainment Center

35th and Pacific



Site Characteristics

- 4.38 acres
- Vacant land, near ravine
- \$176,000 assessed value
- Community Commercial Mixed Use Zoning
- Former landfill for street materials, construction debris (concrete, asphalt, brick)

Opportunities/Constraints

- OPPORTUNITIES

- Multifamily residential, commercial, institutional
- Potential combination with Pierce County property

- CONSTRAINTS

- Development must mitigate environmental/methane issues
- Minimal Pacific Avenue frontage

Status

- Staff drafting RFP to issue 1st Quarter of 2015
- Several interested parties, including:
 - Developer of moderately priced “Street of Dreams”
 - Developer of single-family and multi-family homes
 - Developer of storage facilities

Street Operations



Site Characteristics

- 3.38 acres; 47,636 SF buildings
- \$2,330,400 assessed value
- Warehouse Residential Zoning
- Repairs necessary, seismic upgrades
- Roof and east facade of 2308 Holgate repaired in 2012
- Roof of 2324 South C St. replaced in 2014
- 2324 S. C St. placed on Tacoma Register

Opportunities/Constraints

- OPPORTUNITIES

- Suitable for preservation/adaptive reuse
- Catalytic site for Brewery District
- Adjacent to Prairie Line Trail

- CONSTRAINTS

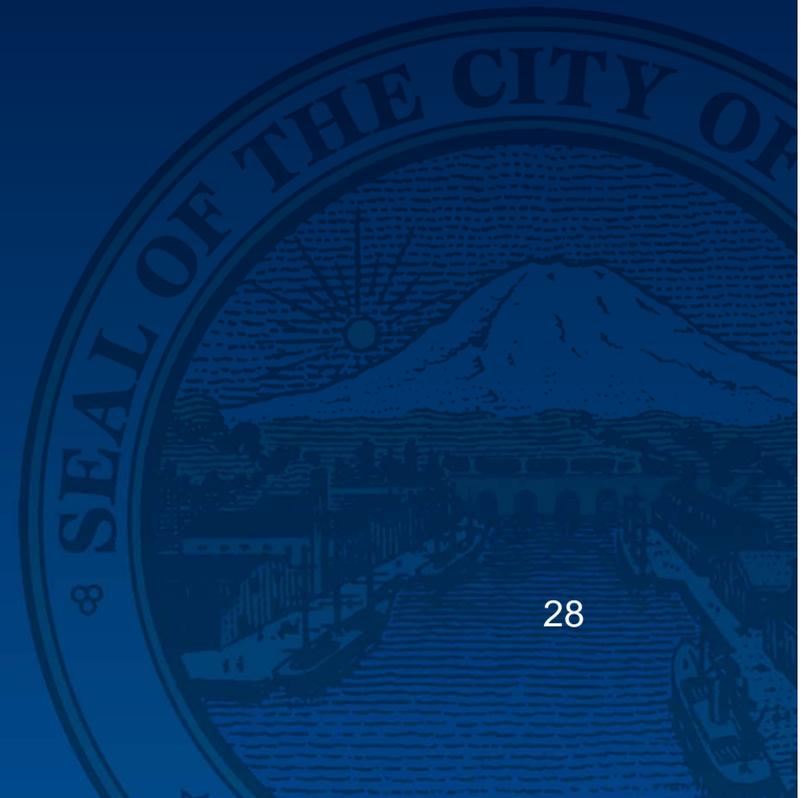
- Relocation of existing City operations necessary

Status

- Issued RFP in October, 2013
- 1 out of 7 proposals met point threshold set by Selection Advisory Committee (SAC)
- Developer/proposer gave presentation stating developers would have to “sit” on the parcels until market and density levels increase
- RFP cancelled on 08-19-2014

Other Tier 1 Properties

- Municipal Parking Lot
- Park Plaza North
- Sauro Site
- Beacon Senior Center



Site Characteristics

- Assessed values:
 - Municipal Lot \$805,500
 - Park Plaza North \$2,047,300
 - Sauro Site \$608,800
 - Beacon Senior Center \$986,400
- Downtown Commercial Core Zoning
- Currently operated as:
 - Parking (Municipal Lot, Sauro Site)
 - Parking/Retail (Park Plaza North)
 - Senior Center (Beacon)

Opportunities/Constraints

- OPPORTUNITIES

- Targeting in-fill, high density residential

- CONSTRAINTS

- Municipal Lot owned by TCRA; \$784K + interest owed to TCRA by City
- Redevelopment of Park Plaza North requires extensive repair and seismic upgrades
- Several ground parcels in Park Plaza North owned by private entities

Status

- Long Term Development Potential
 - No immediate plans for sale
 - When City is approached by potential developers, information on parcels is shared and questions answered

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