



TO: Elizabeth A. Pauli, City Manager
FROM: Jennifer S. Hines, Assistant Division Manager, Public Works
 Kurtis D. Kingsolver, P.E., Public Works Director/City Engineer
 Michael P. Slevin III, P.E., Environmental Services Director
COPY: City Council and City Clerk
SUBJECT: Resolution - Disposition of Real Property - 2512 Pacific Avenue and 2515 South Tacoma Way -
 October 26, 2021
DATE: October 5, 2021

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SUMMARY AND PURPOSE:

A resolution declaring surplus and authorizing the execution of a Quit Claim Deed to Cornus House LLC, conveying two parcels of vacant real property (Parcel Numbers 2025040032 and 2025050042) located at 2512 Pacific Avenue and 2515 South Tacoma Way.

BACKGROUND:

This Department’s Recommendation is Based On: The subject real properties are remnant parcels resulting from a prior Sound Transit construction project. Cornus House LLC is building a new mixed-use project adjacent these sites and will utilize the parcels to expand their planned development. The proposed development will contain 199 residential units with a mix of workforce housing and affordable units, and will participate in Tacoma’s Multi-Family 12-Year Limited Property Tax Exemption program. It will also contain three small retail units.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

This disposition will allow for an expanded development which will further activate the area. The proposed developer is working with businesses located near the potential development.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

The approval of this sale will allow for the continued growth and expansion of our City by returning the parcel to the tax rolls, providing opportunity for affordable, residential development and reducing the City’s overall maintenance costs associated with its ownership.

Livability: Equity Index Score: Moderate Opportunity

Increase positive public perception of safety and overall quality of life.
Improve access and proximity by residents to diverse income levels and race/ethnicity to community facilities, services, infrastructure, and employment.

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

Disposition of these parcels will allow for activation of the sites through a new mixed-use, affordable housing development, which will assist in alleviating undesirable uses currently affecting the immediate area.



ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. City retains ownership.	N/A	City continues to maintain vacant parcels.

EVALUATION AND FOLLOW UP:

N/A

STAFF/SPONSOR RECOMMENDATION:

The Public Works Department recommends City Council approve the Declaration of Surplus and execution of a Quit Claim Deed to Cornus House 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. Fund 0010, General Fund	CC 88200	6411030	\$372,215.71
2. Fund 4300, ESD Wastewater	CC 523900	4345811	\$7,784.29
TOTAL			\$380,000.00

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?

YES
Revenues for both sale of real property and collection of In-Lieu Sewer Assessments are planned within Public Works and Environmental Services Biennial Budgets.

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

YES
The City will continue to maintain the property and the assessment will go unpaid until such time as development on the parcels occurs.

Will the legislation have an ongoing/recurring fiscal impact?

No

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

No

ATTACHMENTS:

- Purchase and Sale Agreements #1161 and #1162
- General Aerial Depiction