



TO: Elizabeth Pauli, City Manager
FROM: Ricardo Noguera, Director, Community and Economic Development
COPY: Economic Development Committee
SUBJECT: Adaptive Reuse of the Old Post Office / Courthouse Square, 1102 A Street
DATE: November 28, 2017

SUMMARY:

Pat Rhodes and John Hunt, developers of the Courthouse Square building, located at 1102 A Street, will be presenting the story of this adaptive reuse project. This building was formerly owned by the United States Government, and CEDD welcomes the opportunity to share this example of recent private investment in historic, underutilized publicly owned real estate.

BACKGROUND:

The 4-Story, 88,000 square foot Federal Building was completed in 1910 and originally housed the United States Post Office, Customs House, Federal Courthouses and the Weather Bureau. The building is listed on the National and State historic registers and was declared a historic landmark by the City of Tacoma in 1975. At that time it was still occupied by federal agencies, but by 2005 only the Post Office remained, and they did not require the entire building for their operations. The current building owners, A Street Associates (ASA), purchased the Old Post Office in 2010, and have completed extensive renovations since then. The building has been renamed to Courthouse Square and houses a variety of business and event space, including Lift Bridge Coffee, En Rama, Infinity Soups, and The Outpost Restaurant. The United States Post Office continues to operate on the first floor.

The Federal Government does not pay property taxes. The total assessed value for this property in 2011 was \$1,375,000 and property taxes were \$19,982. The 2017 assessed value is \$4,369,000 and property taxes generated are \$69,040. This does not include other revenues created by the tenants' business activity nor the qualitative benefits of having this historic space activated.

ISSUE:

This project demonstrates that private investment in historic buildings can contribute to the City's goals of cultivating a vibrant cultural sector that fosters a creative, cohesive community and assuring outstanding stewardship of the built environment.

ALTERNATIVES:

This is an information briefing only. There are no alternatives presented.

FISCAL IMPACT:

Not applicable.

RECOMMENDATION:

This is an information briefing only. There is no recommendation.