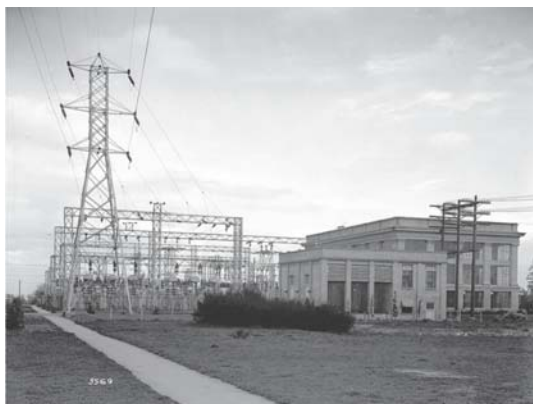# Cushman & Adams Substations MOU
## May 30, 2018

*Cushman & Adams Substations – April, 1937*

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# Joint Staff Task Force

- **Terry Coggins, Tacoma Power**
- **Ward Groves, Legal**
- **Jennifer Hines, Real Property Services**
- **Peter Huffman, Planning & Development Services**
- **Clark Mather, TPU**
- **Tom Morrill, Legal**
- **Terry Ryan, Tacoma Power**
- **Steve Victor, Legal**
- **Joe Wilson, Tacoma Power**

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# Overview of Properties



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# Background

- **Adams substation declared surplus to utility operations in 2009**

- **Cushman Substation still connected to electrical system – used for large equipment storage and repair using crane**

- **Cushman substation and transmission line added to National Register of Historic Places in 2016**

- **2017 Tacoma Power signed Henderson Bay Memorandum of Agreement (MOA)**
    - **Refurbish main door on the south side of Cushman Substation**
    - **Refurbish historic outdoor light fixtures outside Cushman Substation**
    - **Pursue national register listing for Adams Substation**

- **North 21st Street transmission line replacement project scheduled to be completed in 2018 – would disconnect Cushman substation from the electrical system**

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# Tacoma City Council Resolution

- **June 6, 2017: Tacoma City Council unanimously adopts Substitute Resolution 39741**
  - **Adds the exteriors of Cushman and Adams Substations and sites on the surrounding parcels to the Tacoma Register of Historic Places**

  - **Directs the City Manager to work with TPU/Tacoma Power to address the current condition of Adams Substation, maintain the interior and exterior of both the properties to standard that is attractive and amenable to future development, and to evaluate the degree to which environmental cleanup of the properties will be required**

  - **Directs the City Manager to work with TPU/Tacoma Power to enter into a Memorandum of Understanding (MOU) as necessary to establish a process to encourage, "…timely redevelopment of the Properties…"**

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# RES 39741/MOU framework

- **Set a schedule that, "promotes the expedited relocation of the current Tacoma Power operations from the Cushman Substation…"**

- **Establish a process for a, "prompt internal transfer of the Properties from Tacoma Public Utilities to the City of Tacoma General Government…"**

- **Establishing a fair market value for the Properties**

Req. #17-0514

SUBSTITUTE
RESOLUTION NO. 39741

BY REQUEST OF COUNCIL MEMBERS IBSEN AND McCARTHY

A RESOLUTION relating to historic preservation; adding the proposed landmarks to the Tacoma Register of Historic Places and imposing controls for the following properties: Cushman Substation, located at 3713 North 19th Street, and Adams Street Substation, located at 1920 North Adams Street; said landmarks hereby designated by the Landmarks Preservation Commission under Chapter 13.07 of the Tacoma Municipal Code.

WHEREAS the Tacoma Landmarks and Historic Districts Code, Chapter 13.07 of the Tacoma Municipal Code ("TMC"), establishes a procedure for the designation and preservation of structures and areas having historical, cultural, architectural, archaeological, engineering, or geographic importance, and

WHEREAS, pursuant to TMC 13.07.050, the nominations of the Cushman Substation, located at 3713 North 19th Street, and Adams Street Substation, located at 1920 North Adams Street ("Properties"), were submitted by a private citizen for inclusion on the Tacoma Register of Historic Places, along with the requisite application materials, and

WHEREAS the Cushman Substation property and transmission line were previously added to the National Register of Historic Places in 2016, and

WHEREAS the Properties are of primary historical significance to Tacoma, are significant for their association with the region's growth as a result of hydroelectric power production, and are an excellent example of monumental, neoclassical revival style architecture, and

WHEREAS, as originally submitted, the nomination included the Properties substation buildings, including the interior of the Cushman Substation condenser

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# RES 39741/MOU framework (cont.)

- **Establish and fund the cost for required environmental cleanup**

- **Allocating the risk and responsibility for any environmental liability, "past, present, and future," which may be included as a factor in the internal transfer sales price**

- **Setting out a process by which the City will conduct a Request for Proposals (RFP), including community input for future redevelopment of the properties**

- **Prior to issuing an RFP, work with stakeholders to identify community goals for redevelopment of the Properties**

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# Developments since RES 39741

- **Fall 2017: Tacoma Power Superintendent directs staff to begin environmental characterization at Cushman properties -- Phase 1 complete, Phase 2 ongoing**

- **Fall 2017: Tacoma Power Superintendent directs staff to begin analysis of alternatives to replace Cushman Substation storage and 50-ton crane capabilities**

- **Ongoing community engagement**

- **Tacoma Power continues work to comply with 2017 Henderson Bay MOA**

- **Tacoma Power continues work on North 21st Street Transmission Line Replacement Project – scheduled to be completed in 2018**

- **Joint TPU/General Government task force draft MOU, pursuant to Tacoma City Council Resolution 39741 – draft presented here today**

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# MOU – Joint Staff Draft

- **'Whereas' clauses layout history/background**

- **Establishes end of calendar year (CY) 2021 'goal' for operational replacement of storage facilities/crane capabilities**

- **Establishes end of CY 2019 'goal' to complete environmental assessment/characterization of at or below grade environmental issues**

- **Tacoma Power to maintain interior and exterior of structures consistent with utility operations and 2017 Henderson Bay MOA**

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# MOU – Joint Staff Draft (cont.)

- **After environmental condition of the property is fully characterized, TPU and the General Government will work cooperatively and collaboratively to fully allocate financial and operational responsibility for clean-up, and to determine a fair market value for the properties, including an independent appraisal**

- **The General Government will be the lead for scoping, scheduling and conducting community outreach regarding the future redevelopment of the properties**

- **Tacoma Power has agreed to participate in community outreach process through up to $50,000 in funding to pay for consultant for public outreach**

- **Community outreach may occur with or without transfer**

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**Milestones**

- **March 28 PUB Study Session**
- **May 30 IPS Presentation**
- **Interim Director/City Manager could sign MOU**
- **TPU/GG Taskforce continues work**

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