



Town Center Contract Amendment

City of Tacoma | Community & Economic Development

City Council Meeting
June 8, 2021
Resolution No. 40789



OVERVIEW



- Approve assignment of interest in Town Center contract from North America Asset Management (NAAM-Developer) to Galena Equity Partners
- Facilitate Opportunity Zone investment to complete buildout of \$300+ million mixed-use project

TACOMA TOWN CENTER



S. 21st to S. 23rd Streets from Jefferson to Tacoma Avenues

PROPOSED REVISIONS: PHASING



S. 21st to S. 23rd Streets from Jefferson to Tacoma Avenues



PROPOSED REVISIONS: OWNERSHIP

- NAAM would retain sole ownership of Building 2 (144 units)
- NAAM would convey remaining undeveloped property to its subsidiary, Tacoma Town Center Parcels, LLC (TTC)
- TTC would assign its interest to one or more WA LLCs formed and controlled by Galena Equity Partners

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PROPOSED REVISIONS: BUILDOUT

RESTATED AGREEMENT (MIN. REQUIREMENTS)	SECOND AMENDMENT	NAAM (COMPLETED)	GALENA (MIN. REQUIREMENTS)
600 market-rate housing units No affordable housing units	600 housing units 98 out of 600 housing units to be affordable at 80% AMI	144 market-rate housing units	358 (+35) market-rate housing units 98 affordable housing units
20,000 gross sf mixed-use retail	36,000 gross sf mixed-use retail	6,000 gross sf mixed-use retail	30,000 gross sf mixed-use retail
180,000 gross sf stand-alone retail	No stand-alone retail	N/A	N/A
50,000 gross sf office	200,000 gross sf office	N/A	200,000 gross sf office
600 parking stalls	600 parking stalls	100 parking stalls	500 (+400) parking stalls

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● ● ● **PROPOSED REVISIONS: BUILDOUT**



<i>NAAM (COMPLETED)</i>	<i>GALENA (PROPOSED)</i>	<i>TOTAL</i>
144 market-rate housing units	393 market-rate housing units 98 affordable housing units	537 market-rate housing units 98 affordable housing units TOTAL of 635 housing units
6,000 gross sf mixed-use retail	30,000 gross sf mixed-use retail	36,200 gross sf mixed-use retail
No office or stand-alone retail	200,000 gross sf office	200,000 gross sf office
100 parking stalls	900 parking stalls	1,000 parking stalls

● ● ● **PROPOSED REVISIONS: DESIGN**



- Create a sense of place, add visual interest, enhance neighborhood character and be unique
- Expressed in scale, spatial composition, depth, texture and color of building elevations
- Use of quality materials that support long-term durability and sustainability of the development

● ● ● PROPOSED REVISIONS: SCHEDULE



- 144 market-rate units completed in March 2021
- 393 market-rate and 98 affordable housing units at 80% AMI to be completed by September 30, 2023
- 200,000 sf of office space and a public plaza to be completed by May 31, 2025

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● ● ● PROJECT BENEFITS



- Catalyze additional development adjacent to UWT
- Increase downtown residential density
- Add affordable housing
- Create livable wage jobs
- Provide additional Class A office space to growing companies
- Improve Tacoma's investment climate

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RECOMMENDATION



- Staff recommends approval of the Town Center contract amendment



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