



TO: Elizabeth Pauli, City Manager
FROM: Jeff Robinson, Director, Community and Economic Development Department
COPY: Economic Development Committee; Tadd Wille, Deputy City Manager/Committee Executive Liaison
PRESENTER: Elly Walkowiak, Community and Economic Development Department & Guion Rosenzweig, Surge Tacoma on behalf of Tacoma Old City Hall LLC
SUBJECT: Old City Hall Project Progress
DATE: June 22, 2021

PRESENTATION TYPE:
Informational Briefing

SUMMARY:

Surge Tacoma on behalf of Tacoma Old City Hall LLC of Tacoma, WA (Eli Moreno, Manager) will provide an update regarding its progress to develop a residential and commercial mixed-use project at Old City Hall located downtown at 625 South Commerce Street. This estimated \$15 million retrofit will benefit both Tacoma residents and visitors. It will renovate an historic and architectural landmark, catalyze downtown development, increase the City's tax base and create about 100 construction and at least 150 full-time office, retail and service jobs. Furthermore, the project will incorporate equity, enable entrepreneurship, provide affordable and market rate housing, and support tourism to enhance Tacoma's vitality. The presentation will focus on the complex historic preservation and seismic retrofit work the Developer will conduct.

BACKGROUND:

Tacoma Old City Hall LLC (TOCH) entered into a Purchase and Sale Agreement, Development Agreement and Public Benefits Agreement with the City of Tacoma on April 22, 2019 to retrofit Old City Hall located downtown at 625 South Commerce Street into a residential and commercial mixed-use project. The proposed development includes restaurants, retail space, office and co-working space, affordable housing units at 60% Area Median Income (AMI), market rate apartments, event space in the Old Clock Tower and exhibit space.

Restoration is extraordinarily complex. It involves maintaining the historic integrity of the structure while addressing seismic issues to protect public safety, lessen damage and enable quicker re-occupancy. The property is listed on the Tacoma, State of Washington and National Registers of Historic Places. Work is required to be completed in accordance with the Secretary of the Interior's Standards for Historic Rehabilitation for interior and exterior alterations as well as the Old City Hall Historic District design guidelines.

The Developer most recently shared its plans with the Landmarks Preservation Commission on May 12, 2021 and June 12, 2021, which were favorably received. In this presentation to the Economic Development Committee, it will detail the special features of the building, seismic work to be performed based on the structure's unique needs, application for historic tax credits and projected timeline to commence and complete the project. Landmarks Preservation



Commission approval, building permits and financing are required prior to City conveyance of the property to Tacoma Old City Hall LLC, which is anticipated to occur by September 2021.

ISSUE:

This is an information briefing only.

ALTERNATIVES:

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

FISCAL IMPACT:

This is an information briefing only. There is no fiscal impact.

RECOMMENDATION:

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