



TO: Hyun Kim, Interim City Manager
FROM: Jeff H. Capell, Hearing Examiner *JHC*
 Troy Stevens, Real Property Supervisor *tas*
COPY: City Council and City Clerk
SUBJECT: Ordinance No. 26-0210 – Street Vacation No. 124.1454 – March 31, 2026
DATE: March 13, 2026

SUMMARY AND PURPOSE:

An ordinance vacating a portion of the alley between East M Street and East N Street, and a portion of East N Street, both between Puyallup Avenue and East 25th Street, for expanded business use and to help alleviate public safety concerns.

BACKGROUND:

The Hearing Examiner’s recommendation is based on the evidence and testimony presented at a public hearing held on February 5, 2026. The Vacation Area (as defined in the Hearing Examiner’s Report and Recommendation) is a portion of the alley between East M Street and East N Street, and a portion of East N Street, both between Puyallup Avenue and East 25th Street. Petitioners M & A Investments Three, LLC, M & A Investments Five, LLC, CCW Investments, LLC, and ITR Properties, LLC (collectively the “Petitioners”) requested the vacation to expand business use and help alleviate public safety concerns. The Vacation Area is not currently being used for any material right-of-way purpose, nor does the City see any future material need for it as public right-of-way.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

A public hearing was held on February 5, 2026, at which members of the community could attend and speak to express their concerns, opposition, and/or support for the proposed vacation. No members of the public attended to offer testimony. The vacation will benefit the Petitioners by allowing the Vacation Area to be used for the expanded business use and, the vacation may aid in alleviating public safety concerns, which would benefit the community as a whole.

2025 STRATEGIC PRIORITIES: NA

ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1.The Council could approve the vacation petition under conditions different than those recommended.	Any positive impact arising from different conditions would depend on what those conditions are.	Different conditions could require an additional hearing with different findings and conclusions than are present now to support them.
2.The Council could deny the vacation petition.	The most positive impacts come from approving the vacation. Denial simply maintains the status quo of having a mostly unneeded/ unused right-of-way that facilitates unlawful activity in the area.	The most positive impacts come from approving the vacation. Denial simply maintains the status quo, preserving the City’s mostly unneeded right-of-way interests.



EVALUATION AND FOLLOW UP:

The recommended vacation is subject to the conditions listed in Conclusion 8 of the Hearing Examiner's Report and Recommendation, issued on February 24, 2026. All evaluations and follow-up should be coordinated between the Petitioners and the appropriate City departments referenced in the Report and Recommendation.

STAFF/SPONSOR RECOMMENDATION:

The Hearing Examiner recommends approval of the requested vacation subject to the conditions contained in Conclusion 8 of the Hearing Examiner's Report and Recommendation.

FISCAL IMPACT:

The potential fiscal impact of this street vacation is not known fully at this time. If the vacation is approved, a fair market appraisal or a market rate analysis for the area to be vacated will be conducted after first reading of the ordinance. The Petitioners will be required to pay the City such market value amount as a condition to the right-of-way vacation being finalized. In addition, if the vacation is finalized, the vacated area will be added to the taxable square-footage of the abutting real property, thereby possibly generating additional ongoing property tax income.

ATTACHMENTS:

List attachments using bullet points.

- The Hearing Examiner's City Council Action Memorandum, dated March 13, 2026.
- The Hearing Examiner's Report and Recommendation to the City Council, issued on February 24, 2026.
- The City Exhibit List and City Exhibits C-1 through Exhibit C-25.
- The verbatim electronic recording from the hearing held on February 5, 2026.