



Legislation Passed March 3, 2015

The Tacoma City Council, at its regular City Council meeting of March 3, 2015, adopted the following resolutions and/or ordinances. The summary of the contents of said resolutions and/or ordinances are shown below. To view the full text of the document, click on the bookmark at the left of the page.

Resolution No. 39129

A resolution setting Thursday, April 9, 2015, at 9:00 a.m., as the date for a hearing by the Hearing Examiner on the request to vacate the east 35 feet of East L Street between East 52nd and East 54th Streets for a 37 residential plat development called Heritage Gardens. (CFW, LLC; File No. 124.1342)
[Ronda Cornforth, Senior Real Estate Specialist; Kurtis D. Kingsolver, P.E., Director, Public Works]

Resolution No. 39130

A resolution awarding a contract to Scherer Trucking & Excavation Inc., in the amount of \$256,080.01, plus a 15 percent contingency, for a cumulative total of \$294,492.01, excluding sales tax, budgeted from the Wastewater Fund, to provide necessary ventilation improvements at the North End Treatment Plant - Specification No. ES14-0553F.
[Geoffrey M. Smyth, P.E., Division Manager; Michael P. Slevin III, P.E., Director, Environmental Services]

Resolution No. 39131

A resolution awarding a contract to U.S. Oil Trading, LLC, in the amount of \$327,500, plus sales tax, budgeted from the Asphalt Plant Fund, for the purchase of Bulk Asphalt Oils, for an initial contract period of March 1, 2015 through February 28, 2016, with the option to extend for four additional one-year periods, for a projected contracted total of \$1,637,500 - Specification No. PW14-0754F.
[Rae Bailey, Division Manager; Kurtis D. Kingsolver, P.E., Director, Public Works]

Ordinance No. 28284

An ordinance amending Chapter 6A.110 of the Municipal Code, relating to the Property Tax Exemptions for Multi-Family Housing Code, to align with City priorities and state law, and clarify requirements regarding vacancy and displacement issues for occupied structures that are to be rehabilitated or developed.
[Debbie Bingham, Program Development Specialist; Ricardo Noguera, Director, Community and Economic Development]



RESOLUTION NO. 39129

1 A RESOLUTION relating to the vacation of City right-of-way; setting Thursday,
 2 April 9, 2015, at 9:00 a.m., as the date for a hearing before the City of
 3 Tacoma Hearing Examiner on the petition of CFW, LLC, to vacate the
 4 easterly 35 feet of East L Street between East 52nd and East 54th Streets,
 for a residential plat development called Heritage Gardens.

5 WHEREAS CFW, LLC, having received the consent of the owners of
 6 more than two-thirds of the properties abutting the easterly 35 feet of
 7 East L Street between East 52nd and East 54th Streets, has petitioned for the
 8 vacation of the following legally described right-of-way area:

9 The Easterly 35 feet of East "L" Street lying between South
 10 right-of-way margin of East 52nd and the North right-of-way
 11 margin of East 54th Streets, within the Southeast Quarter of
 12 the Northwest Quarter of Section 22, Township 20 North,
 Range 3 East, W.M., within the City of Tacoma, County of
 13 Pierce, State of Washington;

14 Now, Therefore,

15 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

16 Section 1. That Thursday, April 9, 2015, at 9:00 a.m., is hereby fixed as
 17 the date and time, and the Council Chambers on the first floor of the Tacoma
 18 Municipal Building, 747 Market Street, in the City of Tacoma, as the place when
 19 and where said request will be heard by the Hearing Examiner and her
 20 recommendations thereafter transmitted to the Council of the City of Tacoma.
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Section 2. That the Clerk of the City of Tacoma shall give proper notice of the time and place of said hearing.

Adopted _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney

Property description approved:

Chief Surveyor
Public Works Department

Location: The easterly 35 feet of East L Street between East 52nd and East 54th Streets
Petitioner: CFW, LLC
File No.: 124.1342



RESOLUTION NO. 39130

1 A RESOLUTION related to the purchase of materials, supplies or equipment,
2 and the furnishing of services; authorizing the execution of a contract
3 with Scherer Trucking & Excavation Inc., in the amount of \$256,080.01,
4 plus a 15 percent contingency, for a cumulative total of \$294,492.01,
5 excluding sales tax, budgeted from the Environmental Services
6 Wastewater Fund, to provide necessary ventilation improvements at the
7 North End Treatment Plant pursuant to Specification No. ES14-0553F.

8 WHEREAS the City has complied with all applicable laws and processes
9 governing the acquisition of those supplies, and/or the procurement of those
10 services, inclusive of public works, as is shown by the attached Exhibit "A,"
11 incorporated herein as though fully set forth, and

12 WHEREAS the Board of Contracts and Awards has concurred with the
13 recommendation for award as set forth in Exhibit "A"; Now, Therefore,

14 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

15 Section 1. That the Council of the City of Tacoma concurs with the
16 Board of Contracts and Awards to adopt the recommendation for award as set
17 forth in the attached Exhibit "A."

18 Section 2. That the proper officers of the City are hereby authorized to
19 enter into a contract with Scherer Trucking & Excavation Inc., in the amount of
20 \$256,080.01, plus a 15 percent contingency, for a cumulative total of
21 \$294,492.01, excluding sales tax, budgeted from the Environmental Services
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1 Wastewater Fund, to provide necessary ventilation improvements at the North
2 End Treatment Plant pursuant to Specification No. ES14-0553F, consistent with
3 Exhibit "A."

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5 Adopted _____

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7 _____ Mayor

8 Attest:
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10 _____
11 City Clerk

12 Approved as to form:
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15 City Attorney

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RESOLUTION NO. 39131

1 A RESOLUTION related to the purchase of materials, supplies or equipment,
2 and the furnishing of services; authorizing the execution of a contract
3 with U.S. Oil Trading LLC, in the amount of \$327,500, plus sales tax,
4 budgeted from the Asphalt Plant Fund, for the purchase of Bulk Asphalt
5 Oils PG 52-28, PG 58-22, PG 64-22 and CSS-1, for an initial contract
6 period of March 1, 2015, through February 28, 2016, with the option to
7 extend said contract for four additional one-year periods, pursuant to
8 Specification No. PW14-0754F.

9 WHEREAS the City has complied with all applicable laws and processes
10 governing the acquisition of those supplies, and/or the procurement of those
11 services, inclusive of public works, as is shown by the attached Exhibit "A,"
12 incorporated herein as though fully set forth, and

13 WHEREAS the Board of Contracts and Awards has concurred with the
14 recommendation for award as set forth in Exhibit "A"; Now, Therefore,

15 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

16 Section 1. That the Council of the City of Tacoma concurs with the Board
17 of Contracts and Awards to adopt the recommendation for award as set forth in
18 the attached Exhibit "A."

19 Section 2. That the proper officers of the City are hereby authorized to
20 enter into a contract with U.S. Oil Trading LLC, in the amount of \$327,500, plus
21 sales tax, budgeted from the Asphalt Plant Fund, for the purchase of Bulk
22 Asphalt Oils PG 52-28, PG 58-22, PG 64-22 and CSS-1, for an initial contract
23 period of March 1, 2015, through February 28, 2016, with the option to extend
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1 said contract for four additional one-year periods, pursuant to Specification
2 No. PW14-0754F, consistent with Exhibit "A."

3
4 Adopted _____

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Mayor

7 Attest:

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City Clerk

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Approved as to form:

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City Attorney

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ORDINANCE NO. 28284

1 AN ORDINANCE relating to property tax exemptions; amending
 2 Section 6A.110.020 of the Tacoma Municipal Code to bring the Code into
 3 alignment with City priorities and state code, and to clarify requirements
 4 regarding vacancy and displacement issues for occupied structures that are
 5 to be rehabilitated or developed.

6 WHEREAS Tacoma Municipal Code (“TMC”) 6A.110, Property Tax
 7 Exemptions for Multi-Family Housing, was enacted to encourage increased
 8 residential opportunities within mixed-use centers, stimulate new construction or
 9 rehabilitation of existing vacant and underutilized buildings for multi-family
 10 housing, assist in directing future population growth to designated mixed-used
 11 centers, and achieve development densities which are more conducive to transit
 12 use in the designated mixed-use centers, and

13 WHEREAS the proposed amendments improve consistency with state
 14 code by removing the requirement for properties to sit vacant for six months
 15 before redevelopment may occur; and ensuring that displacement of existing
 16 tenants does not occur and that households that qualify as low-income are given
 17 assistance with moving expenses, should they be required to move, and

18 WHEREAS the proposed amendments have been reviewed by the
 19 Neighborhoods and Housing Committee and forwarded to the City Council for its
 20 consideration; Now, Therefore,
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BE IT ORDAINED BY THE CITY OF TACOMA:

That Tacoma Municipal Code 6A.110, Property Tax Exemptions for Multi-Family Housing, is hereby amended as set forth in the attached Exhibit "A."

Passed _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney



EXHIBIT "A"

Chapter 6A.110

PROPERTY TAX EXEMPTIONS FOR MULTI-FAMILY HOUSING

Sections:

6A.110.010 Definitions.

6A.110.020 Property Tax Exemption – Requirements and Process.

* * *

6A.110.020 Property Tax Exemption – Requirements and Process

A. Intent. Limited 8 or 12-year exemptions from ad valorem property taxation for multi-family housing in mixed-use centers are intended to:

1. Encourage increased residential opportunities within mixed-use centers designated by the City Council as residential target areas;
2. Stimulate new construction or rehabilitation of existing vacant and underutilized buildings for multifamily housing in residential target areas to increase and improve housing opportunities;
3. Assist in directing future population growth to designated mixed-use centers, thereby reducing development pressure on single-family residential neighborhoods; and
4. Achieve development densities which are more conducive to transit use in designated mixed-use centers.

B. Duration of Exemption. The value of improvements qualifying under this chapter will be exempt from ad valorem property taxation for eight or twelve successive years (depending on whether the property includes affordable housing component as described in subsection E and F below) beginning January 1 of the year immediately following the calendar year of issuance of the Final Certificate of Tax Exemption.

C. Limits on Exemption. The exemption does not apply to the value of land or to the value of improvements not qualifying under this chapter, nor does the exemption apply to increases in assessed valuation of land and non-qualifying improvements. In the case of rehabilitation of existing buildings, the exemption does not include the value of improvements constructed prior to submission of the completed application required under this chapter.

D. Rehabilitation Provisions. Property proposed to be rehabilitated must fail to comply with one or more standards of the applicable state or local building or housing codes on or after July 23, 1995.

E. Eight-year exemption Project Eligibility. A proposed project must meet the following requirements for consideration for a property tax exemption:

1. Location. The project must be located within a residential target area, as designated in Section 13.17.020. Potential projects to be sited within the boundaries of the University of Washington Tacoma "campus facilities master plan" within the Downtown Tacoma Mixed-Use Center will not be considered.

2. Size. The project must include at least four units of multi-family housing within a residential structure or as part of a mixed-use development. A minimum of four new units must be constructed or at least four additional multi-family units must be added to existing occupied multi-family housing. Existing multi-family housing that has been vacant for 12 months or more does not have to provide additional units so long as the project provides at least four units of new, converted, or rehabilitated multi-family housing.

3. Permanent Residential Occupancy. At least 50 percent of the space designated for multi-family housing must be provided for permanent residential occupancy, as defined in Section 13.17.010.

4. Proposed Completion Date. New construction multi-family housing and rehabilitation improvements must be scheduled to be completed within three years from the date of approval of the application.



1 5. Compliance With Guidelines and Standards. The project must be designed to comply with the City's
2 comprehensive plan, building, housing, and zoning codes, and any other applicable regulations in effect at
3 the time the application is approved. Rehabilitation and conversion improvements must comply with the
4 City's minimum housing code. New construction must comply with the Uniform Building Code. The project
5 must also comply with any other standards and guidelines adopted by the City Council for the residential
6 target area in which the project will be developed.

7 6. Vacancy Requirement. ~~The project must not displace existing residential tenants of structures that are
8 proposed for redevelopment. Existing dwelling units proposed for rehabilitation must have been unoccupied
9 for a minimum of 6 months prior to submission of application and must have one or more violations of the
10 City's minimum housing code. Applications for new construction cannot be submitted for vacant property
11 upon which an occupied residential rental structure previously stood, unless a minimum of 6 months has
12 elapsed from the time of most recent occupancy.~~ Existing dwelling units proposed for rehabilitation must
13 have one or more violations of the City's Minimum Building and Structures Code, TMC 2.01. If the property
14 proposed to be rehabilitated is not vacant or in the case of applications for property to be developed as new
15 construction which currently has residential rental structure on it, an applicant must provide each existing
16 household a 90-day move notice as well as provide housing of comparable size, quality, and price which
17 meets the Uniform Physical Condition Standards or a similar standard acceptable to the City. If any
18 household being provided a 90-day move notice is qualified as a low-income household, the applicant will
19 provide the household with moving expenses according to the current Department of Transportation Fixed
20 Residential Moving Costs Schedule.

21 7. Until August 31, 2009, no applications for any multi-family style developments in the Tacoma Mall
22 Mixed-use Center, as identified in TMC 13.17.020 and as outlined on the Generalized Land Use Plan and in
23 the Comprehensive Plan legal descriptions, which are incorporated herein by reference and on file in the
24 City Clerk's Office, will be accepted for this property tax exemption.

25 F. Twelve-year exemption Project Eligibility. A proposed project must meet the following requirements for
26 consideration for a twelve year property tax exemption:

1. All requirements set forth in subsection E above; and
2. The applicant must commit to renting or selling at least twenty percent of the multifamily housing units as affordable housing units to low and moderate-income households respectively, and the property must satisfy that commitment and any additional affordability and income eligibility conditions adopted by the local government under this chapter. In the case of projects intended exclusively for owner occupancy, the minimum requirement of this subsection may be satisfied solely through housing affordable to moderate income households.

G. Application Procedure. A property owner who wishes to propose a project for a tax exemption shall complete the following procedures:

1. File with the Community and Economic Development Department the required application along with the required fees. The application fee to the City shall be \$1,000 for four units, plus \$100 per additional multi-family unit, up to a maximum total fee to the City of \$5,000. If the application shall result in a denial by the City, the City will retain that portion of the fee attributable to its own administrative costs and refund the balance to the applicant.

2. A complete application shall include:

- a. A completed City of Tacoma application form setting forth the grounds for the exemption;
- b. Preliminary floor and site plans of the proposed project;
- c. A statement acknowledging the potential tax liability when the project ceases to be eligible under this chapter;

- d. ~~Verification by oath or affirmation of the information submitted~~ For rehabilitation projects and for new development on property upon which an occupied residential rental structure previously stood, the applicant shall also submit an affidavit stating that each existing household was sent a 90-day move notice and that



each household was provided housing of comparable size, quality, and price which meets the Uniform Physical Condition Standards or a similar standard acceptable to the City.

~~For rehabilitation projects and for new development on property upon which an occupied residential rental structure previously stood, the applicant shall also submit an affidavit that the dwelling units have been unoccupied for a period of 6 months prior to filing the application. In addition, for rehabilitation projects, the applicant shall secure from the City verification of the property's noncompliance with the City's minimum building code.~~

e. For any household being provided a 90-day move notice that qualifies as a low-income household, the applicant will also submit an affidavit stating that moving expenses have been or will be provided according to the current Department of Transportation Fixed Residential Moving Costs Schedule.

f. In addition, for rehabilitation projects, the applicant shall secure from the City verification of the property's noncompliance with the City's Minimum Building and Structures Code, TMC 2.01.

g. Verification by oath or affirmation of the information submitted.

H. Application Review and Issuance of Conditional Certificate. The Director may certify as eligible an application which is determined to comply with the requirements of this chapter. A decision to approve or deny an application shall be made within 90 days of receipt of a complete application.

1. Approval. If an application is approved, the applicant shall enter into a contract with the City, subject to approval by resolution of the City Council regarding the terms and conditions of the project. Upon Council approval of the contract, the Director shall issue a Conditional Certificate of Acceptance of Tax Exemption. The Conditional Certificate expires three years from the date of approval unless an extension is granted as provided in this chapter.

2. Denial. The Director shall state in writing the reasons for denial and shall send notice to the applicant at the applicant's last known address within ten days of the denial. An applicant may appeal a denial to the City Council within 30 days of receipt of notice. On appeal, the Director's decision will be upheld unless the applicant can show that there is no substantial evidence on the record to support the Director's decision. The City Council's decision on appeal will be final.

I. Extension of Conditional Certificate. The Conditional Certificate may be extended by the Director for a period not to exceed 24 consecutive months. The applicant must submit a written request stating the grounds for the extension, accompanied by a \$50.00 processing fee. An extension may be granted if the Director determines that:

1. The anticipated failure to complete construction or rehabilitation within the required time period is due to circumstances beyond the control of the owner;

2. The owner has been acting and could reasonably be expected to continue to act in good faith and with due diligence; and

3. All the conditions of the original contract between the applicant and the City will be satisfied upon completion of the project.

J. Application for Final Certificate. Upon completion of the improvements agreed upon in the contract between the applicant and the City and upon issuance of a temporary or permanent certificate of occupancy, the applicant may request a Final Certificate of Tax Exemption. The applicant must file with the Community and Economic Development Department the following:

1. A statement of expenditures made with respect to each multi-family housing unit and the total expenditures made with respect to the entire property;

2. A description of the completed work and a statement of qualification for the exemption; and

3. A statement that the work was completed within the required three-year period or any authorized extension.



4. If applicable, a statement that the project meets the affordable housing requirements as described in subsection F above.

1 Within 30 days of receipt of all materials required for a Final Certificate, the Director shall determine which
2 specific improvements satisfy the requirements of this chapter.

3 K. Issuance of Final Certificate. If the Director determines that the project has been completed in accordance
4 with the contract between the applicant and the City and has been completed within the authorized time
5 period, the City shall, within ten days, file a Final Certificate of Tax Exemption with the Pierce County
6 Assessor.

7 1. Denial and Appeal. The Director shall notify the applicant in writing that a Final Certificate will not be
8 filed if the Director determines that:

9 a. The improvements were not completed within the authenticated time period;

10 b. The improvements were not completed in accordance with the contract between the applicant and the
11 City; or

12 c. The owner's property is otherwise not qualified under this chapter.

13 2. Within 14 days of receipt of the Director's denial of a Final Certificate, the applicant may file an appeal
14 with the City's Hearing Examiner, as provided in Section 1.23.070 of the Tacoma Municipal Code. The
15 applicant may appeal the Hearing Examiner's decision in Pierce County Superior Court, if the appeal is filed
16 within 30 days of receiving notice of that decision.

17 L. Annual Compliance Review. Within 30 days after the first anniversary of the date of filing the Final
18 Certificate of Tax Exemption, and each year thereafter, for a period of eight or twelve years, the property
19 owner shall file a notarized declaration with the Director indicating the following:

20 1. A statement of occupancy and vacancy of the multi-family units during the previous year;

21 2. A certification that the property continues to be in compliance with the contract with the City; and, if
22 applicable, a certification of affordability based on documentation that the property is in compliance with the
23 affordable housing requirements as described in section 6.A.110.020.F;

24 3. A description of any subsequent improvements or changes to the property.

25 City staff shall also conduct on-site verification of the declaration. Failure to submit the annual declaration
26 may result in the tax exemption being canceled.

M. Cancellation of Tax Exemption. If the Director determines the owner is not complying with the terms of
the contract, the tax exemption will be canceled. This cancellation may occur in conjunction with the annual
review or at any other time when noncompliance has been determined. If the owner intends to convert the
multi-family housing to another use, the owner must notify the Director and the Pierce County Assessor
within 60 days of the change in use.

1. Effect of Cancellation. If a tax exemption is canceled due to a change in use or other noncompliance, the
Pierce County Assessor may impose an additional tax on the property, together with interest and penalty,
and a priority lien may be placed on the land, pursuant to State legislative provisions.

2. Notice and Appeal. Upon determining that a tax exemption is to be canceled, the Director shall notify the
property owner by certified mail. The property owner may appeal the determination by filing a notice of
appeal with the City Clerk within 30 days, specifying the factual and legal basis for the appeal. The Hearing
Examiner will conduct a hearing at which all affected parties may be heard and all competent evidence
received. The Hearing Examiner will affirm, modify, or repeal the decision to cancel the exemption based on
the evidence received. An aggrieved party may appeal the Hearing Examiner's decision to the Pierce County
Superior Court.