



## Legislation Passed September 17, 2019

The Tacoma City Council, at its regular City Council meeting of September 17, 2019, 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.

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### **Resolution No. 40427**

A resolution awarding a contract to The CEI Group, Inc., in the amount of \$800,000, plus applicable taxes, budgeted from various departmental funds, for Citywide Vehicle Accident Management Services, for an initial contract period through October 1, 2019, with the option to renew through March 10, 2022 - Washington State Contract No. 05015.  
[Patsy Best, Procurement and Payables Division Manager; Andrew Cherullo, Director, Finance]

### **Resolution No. 40428**

A resolution authorizing an increase to the contract with American Custodial Inc, in the amount of \$147,000, plus applicable taxes, for a contract total of \$1,050,000, budgeted from the Municipal Building Operations Fund, for janitorial services at the Tacoma Municipal Complex, through April 14, 2020 - Washington State Department of Enterprise Services Contract No. 00508.  
[Jeff Paradee, P.E, Operations and Maintenance Manager; Kurtis D. Kingsolver, P.E., Director, Public Works]

### **Resolution No. 40429**

A resolution amending the Policy for the Sale/Disposition of City owned General Government Real Property to better align with current City goals to increase prioritization for affordable housing and equity.  
[Jennifer Hines, Assistant Division Manager; Kurtis D. Kingsolver, P.E., Director, Public Works]

### **Ordinance No. 28605**

An ordinance approving and confirming the Assessment and Assessment Roll for the cost of improvements in Local Improvement District ("LID") No. 8645, the "Broadway LID," in the following locations:

- 1) Broadway from South 2nd Street to South 9th Street;
- 2) St. Helens Avenue from South 7th Street to South 9th Street;
- 3) Market Street from St. Helens Avenue to South 9th Street;
- 4) South 4th Street from Stadium Way to Broadway; and
- 5) South 7th Street from Broadway to St. Helens Avenue.

[Jeff H. Capell, Hearing Examiner]



## RESOLUTION NO. 40427

1 A RESOLUTION related to the purchase of materials, supplies or equipment, and  
2 the furnishing of services; authorizing the execution of a contract with The  
3 CEI Group, Inc., in the amount of \$800,000, plus applicable taxes, budgeted  
4 from various departmental funds, for Citywide Vehicle Accident  
5 Management Services, for an initial contract period through October 1,  
6 2019, with the option to renew through March 10, 2022, pursuant to  
7 Washington State Contract No. 05015.

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 the attached 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 Board of  
16 Contracts and Awards to adopt the recommendation for award as set forth in the  
17 attached Exhibit "A."

18 Section 2. That the proper officers of the City are hereby authorized to  
19 enter into a contract with The CEI Group, Inc., in the amount of \$800,000, plus  
20 applicable taxes, budgeted from various departmental funds, for Citywide Vehicle  
21 Accident Management Services, for an initial contract period through October 1,  
22 2019, with  
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the option to renew through March 10, 2022, pursuant to Washington State  
Contract No. 05015, consistent with Exhibit "A."

Adopted \_\_\_\_\_

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Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney



## RESOLUTION NO. 40428

1 A RESOLUTION related to the purchase of materials, supplies or equipment, and  
2 the furnishing of services; authorizing the increase of Contract No. 00508  
3 with American Custodial Inc, in the amount of \$147,000, for a cumulative  
4 total of \$1,050,000, plus applicable taxes, budgeted from the Municipal  
5 Building Operations Fund, for janitorial services at the Tacoma Municipal  
6 Complex, through April 14, 2020, pursuant to Washington State Department  
7 of Enterprise Services Contract No. 00508.

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 the attached 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 Board of  
16 Contracts and Awards to adopt the recommendation for award as set forth in the  
17 attached Exhibit "A."

18 Section 2. That the proper officers of the City are hereby authorized to  
19 increase Contract No. 00508 with American Custodial Inc, in the amount of  
20 \$147,000, for a cumulative total of \$1,050,000, plus applicable taxes, budgeted  
21 from the Municipal Building Operations Fund, for janitorial services at the Tacoma  
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1 Municipal Complex, through April 14, 2020, pursuant to Washington State  
2 Department of Enterprise Services Contract No. 00508, consistent with Exhibit "A."

3  
4 Adopted \_\_\_\_\_

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Mayor

7 Attest:

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City Clerk

10 Approved as to form:

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City Attorney

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## RESOLUTION NO. 40429

1 BY REQUEST OF COUNCIL MEMBER MELLO

2 A RESOLUTION amending the *Policy for the Sale/Disposition of City-owned*  
3 *General Government Real Property* to better align with current City goals to  
4 increase prioritization for affordable housing and equity.

5 WHEREAS, on August 21, 2012, the City adopted Resolution No. 38529,  
6 which approved the *Policy for the Sale/Disposition of City-owned Real Property*  
7 ("Policy"), and

8 WHEREAS, while the Policy mentioned affordable housing, its focus was  
9 economic development, and

10 WHEREAS, in September 2018, the Public Works Department, Real  
11 Property Services Division, collaborated with the Office of Equity and Human  
12 Rights and the Community and Economic Development Department's Housing  
13 Division to align the new Policy language with the City's equity goals and the  
14 Affordable Housing Action Strategy ("AHAS"), and

15 WHEREAS, in 2019, the City adopted and began work to accomplish the  
16 goals set forth in various action items within the AHAS, and

17 WHEREAS the updated Policy will fulfill a large portion of AHAS Action  
18 Item 1.4, which advises the City to enact policies and procedures for surplus real  
19 property which prioritize affordable housing, and to create criteria to assess sites,  
20 and

21 WHEREAS, additionally, on March 22, 2019, House Bill 2382 was signed  
22 into law in Washington, which enables public entities to transfer real property at  
23 little or no cost for purposes of affordable housing, and



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WHEREAS, consistent with HB 2382, the Policy includes language enacting the terms for the City and setting the requirements, and

WHEREAS staff presented the proposed Policy amendments to the Infrastructure, Planning, and Sustainability Committee at its meeting of July 17, 2019, and the Committee moved the amendments forward for consideration by the City Council, with a request to add an affordable housing baseline requirement for Tier 1 and Tier 2 dispositions; those requirements have now been added to the Policy; Now, Therefore,

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

That the proposed amendments to the *Policy for the Sale/Disposition of City-owned General Government Real Property* are hereby approved, said policy to read as set forth in the attached Exhibit "A."

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:  
  
\_\_\_\_\_  
City Clerk

Approved as to form:  
  
\_\_\_\_\_  
Deputy City Attorney

## EXHIBIT “A”

### DISPOSITION POLICY FOR GENERAL GOVERNMENT REAL PROPERTY

#### A. Background

The City owns a variety of properties to meet its objectives, including properties which site City buildings and facilities, parks, open spaces, tidelands, and rights-of-way. The City also owns properties which support specific community programs such as libraries, senior centers, public assembly facilities, and centers for performing arts. Further, the City owns certain properties which the City has either acquired or retained ownership for the specific purpose of redevelopment or for partnering with the private sector to redevelop. Lastly, the City owns certain properties which it has acquired since incorporation, and for which the City no longer has an interest in retaining ownership.

Overall, the City should retain properties which meet its property ownership objectives and dispose of properties which do not.

#### B. Guiding Principles for the Disposition of General Government Property

The City should retain ownership of properties necessary for conducting its business operations, supporting community and economic development initiatives, and for the preservation of public spaces and open space.

1. The City should endeavor to dispose of those General Government properties which do not meet the City’s property ownership objectives. Among the City’s goals in property dispositions are: development of affordable housing, private development which meets the City’s economic development objectives, historic preservation, and increasing density and improving walkability in support of the City’s Comprehensive Plan objectives.
2. The City has three established processes for disposing of City-owned property: (1) direct negotiated disposition; (2) request for proposal process; and (3) bid sale to the highest bidder. Having several tools for the disposition of City property gives the City useful options and flexibility when disposing of property to meet the needs of the City and community.
3. City staff should classify its properties to be disposed in order to help guide the determination of which disposition process should be utilized for conveying specific City properties. This classification is helpful because the City owns a variety of properties with varying levels of value and interest to the City and community. In sum, not all properties need to be disposed of in the same way.
4. The City should establish appropriate processes for notifying the City Council and the public prior to disposing of property. This notification will vary based upon the classification of the property. This process shall be transparent to the Council and public.
5. The City shall place **highest priority** on dispositions which increase affordable housing supply in Tacoma and/or contribute to equity goals within a specific community.



6. Where a General Government surplus property lies within the Puyallup Tribe of Indians (“PTOI”) historic geographical boundaries existing prior to the Medicine Creek Treaty, the City shall give PTOI a right of first refusal to either purchase the property or to exchange tribal property or property rights for the surplus property.

### **C. Property Classification**

Property that has been identified for disposition will be classified into three tiers with differing policy objectives. City staff will develop and maintain processes for each property tier that are consistent with the policy objective.

**Tier 1** properties are generally those properties that: (1) are strategically located in the downtown or mixed-use center with high visibility; (2) are high in value (greater than \$1,000,000) and/or sizable (one-half of an acre or greater); (3) have the potential to generate a high level of community interest due to a substantial City-wide impact that may result from their development; and (4) can be instrumental in meeting the City’s goals and/or in implementing its key policies.

Overall goals for disposition of these properties will be to achieve such outcomes as: provide affordable units/housing, create enhanced equity in communities, generate new property taxes, sales tax, business and occupation taxes, and other taxes, generate new family wage jobs, catalyze new private investment and/or leverage existing public facilities, minimize public liability, implement City master plans, encourage density, and promote sustainability.

**Tier 1 Disposition:** The process for property disposition will generally involve outreach and high levels of participation. The Request for Proposals approach will be the required method of disposition. Execution of a Development Agreement will be a requirement prior to conveyance. Where the surplus property lies within a Land Use Zone which permits housing of any type, the baseline requirement of any conveyance is a minimum of twenty-five percent (25%) of proposed units at or below fifty percent (50%) AMI. Scoring will be weighted in favor of proposals which include at least fifty percent (50%) affordable housing units at or below thirty percent (30%) AMI. Proposals not meeting this threshold may be evaluated on contributions to the community that meet or exceed equity goals of the City.

**Tier 2** properties are those properties which have some development potential, are important to the surrounding neighborhood, and have a value between \$500,000 and \$1,000,000, but have no significant alignment with the goals and/or in implementing its key policies.

Overall goals for disposition of these properties may be to support goals and strategies of applicable neighborhood councils, neighborhood business districts, and other community groups through such outcomes as: increasing affordable housing, creating enhanced equity in communities, improving the quality of life and property values in the neighborhood, improving walkability, fostering a safe environment for residents, reducing crime and blight in the community, and increasing tax revenue for the City.

**Tier 2 Disposition:** Because of the importance to community stakeholders, Tier 2 properties will be sold via a Request for Proposals or negotiated disposition process to put the City in a better position to influence the future use(s) of the property. Where the surplus property lies within a Land Use Zone which permits housing of any type, the baseline requirement of any conveyance is a minimum of twenty-five percent (25%) of proposed units at or below fifty percent (50%) AMI. Scoring will be weighted in favor of proposals which include at least fifty percent (50%) affordable housing units at or below thirty percent (30%) AMI. Proposals not meeting this threshold may be evaluated on contributions to the community that meet or exceed equity goals of the City.

**Tier 3** properties are those properties which may be important to the adjacent or surrounding property owners but have a minimal level of interest to the community at large. Tier 3 properties will be disposed with preference for affordable housing infill development. Goals of disposition are to increase the affordable housing supply, minimize the City's liability, and turn ownership back the private sector or to public partners. These properties include: remnant parcels that have little or no financial value; vacant City parcels that have no operational, development, or open space potential to the City; properties that by virtue of their location or functionality would be better owned by another government agency; and other properties which have little financial or community value.

**Tier 3 Disposition:** Tier 3 properties will likely be transferred by direct negotiated disposition or via bid-sale to the highest bidder. Because of the limited impact of these property dispositions, community outreach efforts will generally be more direct and limited.

#### **AFFORDABLE HOUSING EXCEPTIONS AUTHORIZED UNDER HOUSE BILL 2382 (2017-2018 Regular Session)**

Exceptions to the above methods of disposal may include property dispositions to other public entities and/or property transfers for development which includes at least fifty percent (50%) affordable housing units at or below fifty percent (50%) AMI. In these situations, the property may be conveyed via the direct negotiated disposition process, and compensation may be in the form of public benefit purposes in lieu of monetary compensation.

The City hereby enacts the following rules for disposition under HB 2382:

1. The conveyance documents must contain a covenant or other requirement that the property shall be used for the designated public benefit purpose (at least fifty percent (50%) affordable housing units at or below fifty percent (50%) AMI); and
2. The conveyance documents must contain remedies that apply if the recipient of the property fails to use it for the designated public purpose or ceases to use it for such purpose.

#### **D. Guiding Principles for Direct Negotiated Dispositions**

City code allows the City, upon City Council authorization, to approve the negotiated disposition of real property (see TMC 1.06.280). This authority provides the City with substantial flexibility

to transfer property to governmental and nonprofit agencies, adjacent property owners, and public-private development partners. While competitive selection for surplus disposition is ordinarily preferred, there are circumstances where direct negotiation is in the best interests of the City. In considering whether a direct negotiated disposition should be pursued, City staff will consider the following guidelines, ranked in order of procedural clarity:

1. Where feasible, the City shall transfer surplus property suitable for housing directly to governmental and nonprofit agencies which will repurpose the property as affordable housing.
2. The City may transfer property to a City-formed Public Development Authority to develop according to a City-approved plan or development strategy for affordable housing or to remedy an inequitable situation within the immediate community.
3. The City may consider conveying surplus property directly to adjacent/abutting property owners when the adjacent/abutting property owner(s) are the only feasible or likely candidates for acquisition and when selling to the adjacent/abutting property owner(s) will allow for expansion and development of a profit or nonprofit enterprise increasing economic and community improvement opportunities within the City; and further when said sale is an ancillary component of a street vacation.
5. The City may consider selling surplus property directly to a private development partner when the conveyance of the property is an element of a public-private partnership agreement between the City and a third party that has been approved by the City Council and is necessary to achieve the desired development; and when (even if the City is not a development partner) the development will help the City achieve its affordable housing goals, equity goals, or economic development goals and is more suitable than existing alternatives and potential partners.
6. In the circumstances where the City has previously completed a Request for Proposals process and an acceptable proposal was not received, the City may directly or through a third-party agent contact potential developers/investors and directly negotiate a disposition.



## ORDINANCE NO. 28605

L.I.D. No. 8645

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AN ORDINANCE relating to Local Improvement Districts; approving and confirming the assessment and assessment roll certified to the City Council by the Director of Public Works on December 29, 2016, for the cost of the improvements in Local Improvement District No. 8645 in the City of Tacoma, pursuant to Substitute Ordinance No. 27475, passed April 18, 2006; and providing for the disposition of the moneys collected upon said assessment.

WHEREAS the assessment roll for Local Improvement District No. 8645 ("Project") has been prepared and filed with the City Clerk on or about December 29, 2016, the Project was completed in 2011, and a public hearing thereon was held before the former Hearing Examiner of the City, on March 29 and 30, 2017, as required by law, and

WHEREAS two appeals of the Hearing Examiner's recommendation were received and ultimately heard by the City Council on August 29, 2017, with the City Council remanding the matter to the City's administration and the Hearing Examiner for additional analysis of the percentage of benefit, and

WHEREAS, in light of the six-year delay between the completion of the project, the former Hearing Examiner's recommendations and the City Council's appeal hearing both of which occurred in 2017, the City Council determined that the interest accrued during that delay calculated at \$331,500, should be borne by the City, and

WHEREAS the City Council hereby affirms that it was not the Council's intent to reduce all interest attributable to the project to \$331,500, but rather it



1 was the City Council's intent to make the LID properties whole for the six-year  
2 delay, and

3 WHEREAS the City Council further remanded the assessments of the  
4 appealing parties for further review by the City, including non-profit owners, in  
5 light of their specific circumstances, and

7 WHEREAS, the City Council further rejected the proposed general four  
8 percent benefit based on the information provided at the August 29, 2017  
9 hearing, and remanded the proposed general benefit to the City's administration  
10 and the Hearing Examiner for further review, including the appellants' proposal  
11 of one percent, and

13 WHEREAS the City Council hereby affirms that it was not the Council's  
14 intent to preclude all future consideration of a four percent benefit, but rather it  
15 was the Council's intent to ensure that the final assessed benefit is clearly  
16 supported in the record, and

18 WHEREAS, fully consistent with and pursuant to the City Council's  
19 direction, the City's administration reached settlements with both appealing  
20 parties in consideration of their special circumstances, and

21 WHEREAS the City further engaged a supplemental review of the  
22 special benefit percentage which, due to the passage of time was able to utilize  
23 actual sales data, and concluded that a four percent benefit was accurate, and

25 WHEREAS, consistent with the City Council's direction, the City  
26 transmitted all the information to the Hearing Examiner who issued a



1 Supplemental Recommendation After Remand on July 15th, 2019, and  
2 Findings and Initial Order on Remand from the City Council on August 31,  
3 2017, and

4 WHEREAS the Hearing Examiner determined that no further hearings  
5 were necessary in this matter, and that any benefit from one percent to four  
6 percent is fully supported in the record, leaving the final determination of benefit  
7 percentage to the discretion of the City Council; Now, Therefore,

8  
9 BE IT ORDAINED BY THE CITY OF TACOMA:

10 Section 1. The foregoing recitals are hereby adopted as the City  
11 Council's expression of collective intent and its legislative findings on this  
12 matter.  
13

14 Section 2. That the objections to the assessment and assessment roll  
15 are settled, and that the assessment and assessment roll certified to the City  
16 Council by the Director of Public Works on September 17, 2019, for the cost of  
17 constructing permanent pavement, reconstruction, repair, and renewal of  
18 sidewalks, installation of ornamental street lighting and landscaping, including,  
19 but not limited to, the renewing of shade and ornamental trees and shrubbery  
20 thereon, and the construction of surface water, wastewater, and water main  
21 utility replacement, together with limited maintenance of the landscaping from  
22 Broadway from South 2nd Street to South 9th Street; St. Helens Avenue from  
23 South 7th Street to South 9th Street; Market Street from St. Helens Avenue to  
24 South 9th Street; South 4th Street from Stadium Way to Broadway; and,  
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1 South 7th Street from Broadway to St. Helens Avenue, constituting Local  
2 Improvement District No. 8645 in the City, pursuant to Substitute Ordinance  
3 No. 27475, passed April 18, 2006, and the levy and charge of the cost of the  
4 improvements as shown upon the assessment roll and thereby apportioned  
5 upon the adjoining, contiguous, and proximate lots and parcels of land specially  
6 benefited, in accordance with the laws of the state of Washington and  
7 ordinances of the City, are hereby approved and confirmed in all respects, and  
8 the City Treasurer is hereby directed to collect the assessment, which may be  
9 paid without interest, penalty, or cost within 30 days after due notice shall have  
10 been given to the owners of the property within the assessment district by  
11 publication, in the manner provided by law; and, if the assessment is not paid  
12 within 30 days from the date of the first publication of the notice, the same shall  
13 bear interest thereafter at the estimated rate of 3.75 percent per annum, the  
14 actual interest rate to be fixed by the ordinance authorizing the issuance and  
15 sale of bonds for this district.

19 Section 3. That the moneys collected upon the assessment, approved  
20 and confirmed by this ordinance, are hereby ordered to be placed in Local  
21 Improvement Fund, District No. 8645, the special fund created by Substitute  
22 Ordinance No. 27475. Under the provisions of the laws of the state of  
23 Washington and amendments thereto, and this ordinance, there shall be issued  
24 a warrant, or warrants, or installment note, or notes, in payment of the cost and  
25 expense of District No. 8645 payable out of said local improvement district fund.  
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Such warrants or notes shall bear interest at the estimated rate of 3.75 percent per annum, the actual interest rate to be fixed by the ordinance authorizing the issuance and sale of bonds for this district; and shall be redeemed in cash from said local improvement district fund or by other warrants or notes, and the warrants or notes shall be sold, as provided by law, by the proper officers of the City of Tacoma at private sale, and the proceeds thereof shall be applied in payment of the cost and expense of the improvement.

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:  
  
\_\_\_\_\_  
City Clerk

Approved as to form:  
  
\_\_\_\_\_  
Deputy City Attorney