

TACOMA COMMUNITY REDEVELOPMENT AUTHORITY

Meeting Agenda

August 12, 2021
Zoom Virtual Meeting - Call in and link information provided

Meeting No. 714

7:30 A.M. **ROLL CALL**

CALL TO ORDER

THE FOLLOWING ITEMS ARE PRESENTED FOR BOARD REVIEW AND DISCUSSION:

CONSENT AGENDA

1. TCRA Meeting Minutes for July 22, 2021 Exhibit 1
2. Loan Write-Off Requests Exhibit 2

HOUSING

3. Pacific Property Transfer Agreement – Felicia Medlen Exhibit 3

Staff will provide an update on Pacific Property surplus process and community engagement performed to date. The Board will have an opportunity to review and discuss the draft of the updated transfer agreement for the 35th and Pacific property. Presentation is for information only, no action will be taken.

4. 2021-22 Affordable Housing Notice of Funding Availability (NOFA) Workshop – Heidi Burbidge

Staff will facilitate a Board discussion of the 2021-22 Affordable Housing NOFA applicant projects. Item is for information only, no action will be taken.

EXECUTIVE SESSION

5. Executive Session – Discussion with Legal Counsel About Current or Potential Litigation

FOR THE GOOD OF THE ORDER

ADJOURN



MINUTES
Meeting No. 713

July 22, 2021
Virtual Zoom Meeting Video and Call-in information provided

Dan Montopoli called the meeting to order at 7:32 AM.

ROLL CALL

TCRA Members Present: Lacey Barker, Terri Scott, Jason Kors, Ian Northrip, Steve Snider, Kimber Starr, Dan Montopoli, Joseph van Dyk, Karsen Keever

TCRA Members Absent: Meredith Neal, Miriam McBride

TCRA Staff in Attendance: Felicia Medlen, Erika Bartlett, Heidi Burbidge, Jeff Robinson

Guests in Attendance: Jeff Gumm, Martha Larkin, Maureen Fife, Gomer Roseman, Elizabeth Weaver, Steven Strickland, Jose Torres Santos, Russell Jackson, Steve Clair, Luis Rivera Zayas, Dietrich Schmitz

THE FOLLOWING ITEMS WERE PRESENTED FOR BOARD REVIEW AND DISCUSSION:

CONSENT AGENDA

1. TCRA Meeting Minutes for June 24, 2021
2. June 2021 Check/Voucher Register

MOTION: Steve Snider moved to approve the consent agenda. Terri Scott seconded the motion, which passed unanimously.

HOUSING

3. 2021-22 Affordable Housing Notice of Funding Availability (NOFA)

Staff provided an overview of the 2021-22 Affordable Housing NOFA. Applicants eligible to receive funds through the competitive application presented their projects to the Board for review and discussion. Presentations were for information only, no Board action was required.

4. Public Hearing - 2021-22 Affordable Housing NOFA

In compliance with the City of Tacoma's Participation Plan, the TCRA accepts public comment for a 30-day period on eligible applications for funds made available through the 2021-22 Affordable Housing NOFA. During this time, the public was invited to make verbal comment for the Board's consideration. No Board action was required.

5. Tacoma-Lakewood HOME Consortium and Living Access Support Alliance (LASA) Property Acquisition

The Tacoma-Lakewood HOME Consortium requested Board action on an investment of \$600,000 in HOME funds to support LASA's acquisition of a single family home at 8966 Gravelly Lake Drive SW, Lakewood, WA

98499. The acquisition will complete a two-acre site with future potential for development of affordable housing, emergency shelter, or transitional housing.

MOTION: Terri Scott moved to authorize an investment of \$600,000 in HOME funds to provide a 15-year deferred loan to LASA for the acquisition of 8966 Gravelly Lake Drive SW, Lakewood, WA 98499. Ian Northrip seconded the motion, which passed unanimously.

FOR THE GOOD OF THE ORDER

Felicia Medlen announced that the August 12, 2021 TCRA meeting will be a workshop opportunity for Board members to review and discuss the 2021 Affordable Housing NOFA applications.

ABSENT MEMBERS WERE EXCUSED

MOTION: Joseph van Dyk moved to excuse Meredith Neal and Miriam McBride. Steve Snider seconded the motion, which passed unanimously.

ADJOURN

The meeting adjourned at 8:32 AM.

Respectfully Submitted,

Kimber Starr



TO: Tacoma Community Redevelopment Authority
 FROM: Karlee Iverson, Financial Assistant
 SUBJECT: Loan Write-Off Requests
 DATE: July 28, 2021

The following Loans in our Portfolio have no recourse action to be taken. Staff requests that these loans be written off and removed from accounting and loan servicing systems due to an executed settlement agreement and surplus funds turned over to borrower.

| Loan # | Program | W/O Amount | Reason | Term | Closing Date | Loan Amount | Year |
|-----------|-------------------------|---------------------|---------------------------------------|------------------|--------------|---------------------|------|
| 01RMH621 | Major Home Repair | \$ 758.73 | Settlement Agreement | 20 year deferred | 9/12/2007 | \$ 25,000.00 | 2019 |
| 502DPC631 | Down Payment Assistance | \$ 20,000.00 | Surplus funds turned over to borrower | 20 year deferred | 1/3/2006 | \$ 20,000.00 | 2018 |
| | | \$ 20,758.73 | | | | \$ 45,000.00 | |

Total \$20,758.73

Recommending Approval:

Felicia Medlen
 Felicia Medlen, TCRA Administrator

Approved:

 TCRA President



TO: Tacoma Community Redevelopment Authority Board

FROM: Felicia Medlen, Housing Division Manager

SUBJECT: Use of City Surplus Property for Affordable Housing

DATE: August 12th, 2021

SUMMARY

Update on activities related to the 35th and Pacific property.

BACKGROUND

The City acquired a portion of the parcels in 1928 through an eminent domain action. The remaining parcels were acquired from the State of Washington in 1975.

The site was used as a City fill from 1960 – 1992. Fill consisted of inert waste and construction debris derived from the I-5, I-705 and SR 7 extensions, Tacoma Public Utility construction projects and various large private construction projects. The City also used the site for the dumping of materials collected during street sweeping and catch basin cleanings from 1985 – 1992.

A Phase I Environmental Site Assessment was completed on June 19, 2007. The findings indicated the presence of petroleum hydrocarbons in concentrations greater than Model Toxics Control Act cleanup levels and methane gas. No testing has been done to determine the ground stability; however, due to the landfill materials below the surface, the site most likely cannot support large structures without significant piling underground.

The site was submitted to the Department of Ecology (Ecology) for the Voluntary Cleanup Program on February 27, 2008. On August 5, 2008, a Remedial Investigation/Feasibility Study/and Cleanup Action Plan was prepared by Landau Associates. As a result of this plan, Ecology issued an opinion concluding that upon completion of the proposed cleanup, no further remedial action would likely be necessary. The plan will be executed during future development.

On January 12, 2015, the property was declared surplus to the City’s needs. An appraisal set the market price at \$300,000. An RFP was issued and an affordable housing developer submitted a

proposal for the site. However, the resulting proposal did not receive City Council support. Since 2015, the property has remained vacant and is being maintained on an as-requested basis by City staff. Issues reported on the property during the last couple of years include overgrown brush, illegal activities, homeless activities and a fire.

Most recently the City and TCRA have renewed the conversation of transferring the property. As part of this renewed conversation the TCRA conducted some environmental due diligence to determine if development on the site was feasible. The environmental testing found that the site was developable and there would need to be some additional due diligence conducted by a potential developer to determine the costs feasibility and of developing the site based on the environmental constraints.

The City in partnership with the TCRA also conducted community outreach to hear concerns and aspirations for the site. There were two targeted public meetings held in July in addition to an open comment period during which time written comments were accepted. The general themes of comments were: trust and transparency, design, equity, traffic and transportation, and amenities. Attached is a list summarizing the comments received during the outreach process.

ISSUE

The City has provided the TCRA with a revised transition agreement that addresses three concerns the Board discussed related to this property:

- What happens to the property if a developer is not found
- Development feasibility and environmental constraints
- Liability for the existing encampment

Community Engagement has been completed and next steps in the process are dependent on who owns the property.

Next Steps

TCRA Board review of the revised Transition Agreement and consideration of a staff recommendation regarding the property.

Attachment A

35th and Pacific property map:



Attachment B

35th and Pacific Property Outreach Summary: Concerns and Aspirations

Concerns

- Loss of greenspace (Design)
- Lack of concern for Eastside community wishes and timing of advising community of decision to develop affordable housing (Trust and Transparency)
- Inadequate outreach, lack of transparency and communication from the City (Trust and Transparency)
- Issues with mailing and confusion over correct meeting link (Trust and Transparency)
- Concentration of poverty and services for low-income residents (Equity, Amenities)
- Health, sanitation, and safety issues (Equity)
- Presence of homeless encampment (Equity)
- Impact of additional traffic and need for parking on neighborhood (Traffic and Transportation)
- Increased heat from surface parking lot (Design)
- Alignment with other agencies and processes, specifically Pierce County's property and Pierce Transit's Bus Rapid Transit (BRT) (Traffic and Transportation)
- Housing should not be free (Equity)
- Building height, design (Design)
- Construction noise (Traffic and Transportation)

Aspirations

- Earlier engagement and more thorough process for seeking community input, set precedent for future developments along BRT (Trust and Transparency)
- Public, recreational uses such as ADA playground, dog park, urban trails, outdoor cross training, community garden – gated and closed at night (Amenities)
- Preserve tree canopy and greenspace (Design)
- Park-like atmosphere (Design)
- Community space with no-cost use built in to development agreement (Amenities)
- Mixed-income (Equity)
- Free housing for the homeless (Equity)
- Mixed use including retail such as grocery (Met Market, Tacoma Boys), café with outdoor seating, bubble tea, hobby or music store, prioritize existing Tacoma business owners (Amenities, Equity)
- Social infrastructure – daycare, laundromat, medical clinic, bank (Equity, Amenities)
- Destination neighborhood (Amenities, Design)
- Develop 35th Street ROW into street with parking and bicycle path (Traffic and Transportation)
- Ensure entrance and access points align with BRT street design (Traffic and Transportation)
- Underground parking lot (Design, Traffic and Transportation)
- Base density on buildable land, not total acreage (Design)
- Maximum height of five stories (Design)
- Support for affordable housing and use of surplus property for affordable housing (Equity)
- References to Habitat for Humanity model and King County Housing Authority's Greenbridge development (Design, Equity)
- Website tracking development progress (Trust and Transparency)
- Walkability (Traffic and Transportation)