

# Subdivision of Property Located at 1840 Marine View Drive

Presenter:

Scott Francis,  
Director, Real Estate  
Port of Tacoma



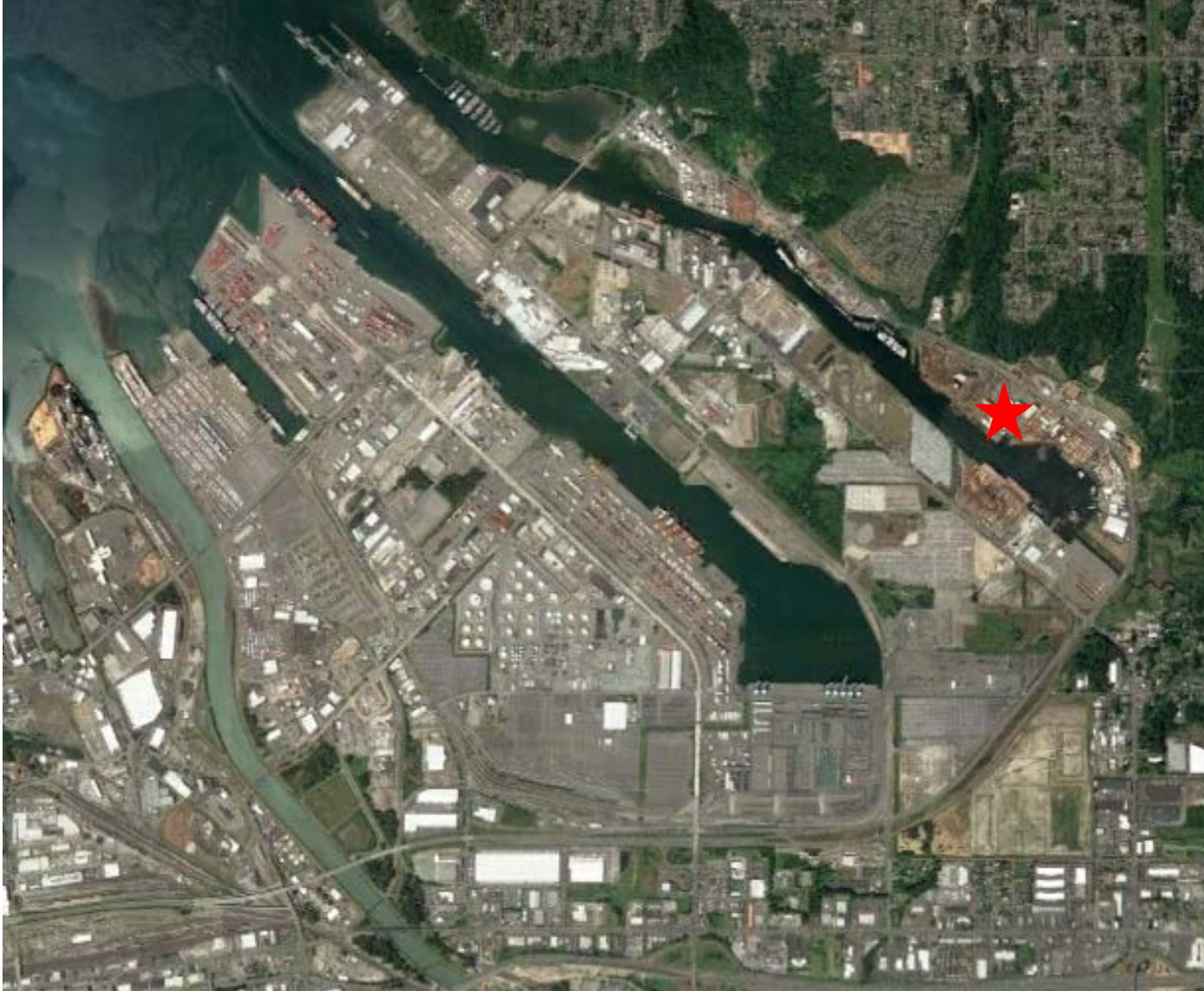
# Action Requested



Approval of the 2005 conveyance of a former portion of the property located at 1840 Marine View Drive, also known as Pierce County Tax Parcels 0321361039 and 0321362038 by Jesse Engineering Company to General Metals of Tacoma, Inc. subject to the following conditions, restrictions, and remedies on the remaining 1840 Marine View Drive property, that shall run the land:

- A. Any owner of the Property shall not re-sell less than all of the Property without the prior written consent of the Port of Tacoma.
- B. The property will be used for only Industrial purposes. Residential uses are specifically prohibited.
- C. The Port of Tacoma shall have a continuing right of first refusal on the property.



# 1840 Marine View Drive





# 1840 Marine View Drive – Premises



-  0321361038 - General Metals  
5.2 Acres
-  0321361039 - Jesse Engineering  
13.9 Acres



# Background



- In 1968, Arne K. Strom purchased about 19.1 acres at 1840 Marine View Drive from the Port of Tacoma with a deed restriction that stated, “No sale of any part of the above described property less than the whole thereof shall be valid without the written consent of the Port of Tacoma.”
- Strom conveyed the property to Tacoma Boatbuilding.
- In 1998, Tacoma Boatbuilding sold the property to Ace Tank & Equipment Co. via quit claim deed that made no mention of the deed restrictions.
- Ace Tank & Equipment conveyed the property by quit claim deed to Ace Tank Holdings, LLC and no mention of the deed restrictions were listed in the deed.

# Background Continued



- Ace Tank Holdings sold the property to Jesse Engineering in 2005. The title report included generic reference to “reservations, restrictions, agreements...of record”, but no specific reference was made to the deed restrictions.
- Jesse Engineering Company completed a boundary line adjustment and sold 5.2 acres of the property to General Metals of Tacoma, Inc. in 2005.
- Jesse Engineering Company conveyed the remaining 13.9 acres to Jesse Investments LLC.

# Background Continued



- Jesse Investments, LLC is currently in the process of selling this property under a sale-leaseback arrangement.
- Closing has been delayed because of a cloud on title caused by the 2005 conveyance of a portion of the property conveyed by Jesse Engineering Company to General Metals of Tacoma, Inc. without the Port's prior approval.
- Jesse Investments requests Port approval for the 2005 sale for a portion of the property, which is part of a larger parcel owned by General Metals of Tacoma, Inc.
- The sale of the property is required to keep Jesse Engineering Company performance bonds, lines of credit and operating accounts in place.

# Economic Investment / Job Creation



- Approval of this request will support the continued operations of Jesse Engineering which is a 40-year old Tacoma business.
- Jesse Engineering currently employs about 100 people in Tacoma.
- Jesse also supports many subcontractors and suppliers of services from numerous businesses in Tacoma.



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