

# ACTION ITEM MEMO

Port of Tacoma Commission



Item No: 5C  
Meeting Date: 6/17/25

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**DATE:** June 9, 2025  
**TO:** Port of Tacoma Commission  
**FROM:** Eric D. Johnson, Executive Director  
Sponsor: Alisa Praskovich, Chief, Strategic Projects & Commission Relations  
Project Manager: Debbie Shepack, Sr. Director, Real Estate  
**SUBJECT:** Second Amendment to Ground Lease/Interlocal Agreement with Tacoma School District

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**A. ACTION REQUESTED**

Request authorization for the Executive Director or his designee to enter into a Second Amendment to Ground Lease/Interlocal Agreement with the Tacoma School District and the Port of Tacoma ("Parties") for the premises located at 1203 East D Street, Tacoma, WA (Parcel 94) and to amend the lease to incorporate the terms of a Joint Use Agreement that will address the use and maintenance of certain improvements on Port-owned property outside of the District's leased premises.

**Strategic Plan Initiatives: EV-2, EV-4, OS-4, OS-6**

**B. SYNOPSIS**

The Port of Tacoma ("Port") has partnered with the Tacoma School District ("District"), (together, the "Parties") to develop the Port Business Center and the District's Maritime Skills Center ("Maritime 253") on Parcel 94. Maritime 253 will support future employment needs of the maritime and logistics industry, and the Port Business Center will support the Port's business and operational needs, including administrative offices and Port Commission meeting chambers.

The project is currently under construction with the majority of site remediation completed, ground improvements completed, and building and utility construction underway. The Maritime 253 Skills Center is on schedule to open to students in September 2026 and the Port Business Center in the winter of 2027.

**C. BACKGROUND**

Concurrent with the design build process under Interlocal Agreements between the Parties, the Port's Real Estate staff negotiated a Ground Lease/Interlocal Agreement (including a First Amendment) for the Maritime 253 Skills Center. The Ground Lease, approved on May 21, 2024, allows the District's use of 30,830 sq. ft. of Port-owned property for the construction of the Maritime Center 253 and the First Amendment covered construction and payment terms for necessary site improvements. The Lease anticipated the need for a future Second Amendment to include a Joint Use Agreement (JUA) to cover non-exclusive shared areas that the District is permitted to use. These areas include parking, access roads, beach access, and bus drop-off areas.

Both parties acknowledge that the Port owns these amenities and is primarily responsible for maintenance.

**D. TERMS OF THE SECOND AMENDMENT AND JOINT USE AGREEMENT (JUA)**

The Second Amendment grants the Port an additional year (June 1, 2026) to secure a private crossing over Port owned property encumbered with a BNSF easement. The JUA is included as an attachment to the Second Amendment and identifies certain areas and site improvements on Port-owned property as shared facilities. The Port will remain responsible for the maintenance of these facilities as listed below:

**SHARED FACILITIES MAINTENANCE**

<b>Shared Facility</b>	<b>Port Maintenance</b>
Parking Area Drive Aisles Access Roads School Bus Drop Off Areas	Maintain/repair paved surfaces, sidewalks and walkways (including sweeping/vacuuming, resealing, restriping, and resurfacing as needed).  Maintain/repair fencing and gates  Maintain landscape plantings and perform weed control; replace landscape plantings as needed.  Maintain/repair landscaping irrigation systems (if any).  Maintain/repair lighting fixtures.  Maintain/repair fire hydrants (including required inspections).  Perform snow/ice removal on parking and walking surfaces.  Maintain/clean/replace (as needed) signage and markers.  Remove obstructions or debris.
Beach Access	Maintain/repair beach access.  Maintain/repair fencing and/or gates.  Maintain/replace landscape plantings and perform weed control.  Maintain/repair lighting fixtures.  Remove obstructions or debris.

**E. CONCEPTUAL SITE PLAN OF JOINT USE AREA**

See attached Exhibit A. The Parties agree that Exhibit A will be replaced with a final exhibit reflecting the location of the completed shared areas/facilities once construction of the project and associated site improvements are completed.

**F. FINANCIAL SUMMARY & PAYMENT**

The Port is delivering to the District unimproved property that the District is improving with a Maritime Skills Center at a cost of \$40 million, which the District is paying for at its sole cost. In lieu of monthly rental payments and as consideration over the initial lease term (50 years), the District will share in the Port's cost to construct certain capital site improvements consisting of utilities, parking lots, driveway access and rail crossing safety improvements on Port property and adjacent to Maritime 253. These financial terms were incorporated into the original ground lease / ILA that the Port of Tacoma Commission previously approved.

**G. ECONOMIC INVESTMENT / JOB CREATION**

The Ground Lease and JUA support the potential for numerous job opportunities in the maritime and transportation industry within the Port of Tacoma, Pierce County, and potentially throughout the greater Puget Sound region. Maritime 253 will employ approximately 20 full-time staff and serve up to 300 students per session (two sessions per weekday) on site. Maritime 253 will provide career/technical education to junior/senior-level high school students throughout Pierce County. Students will receive industry recognized credentials preparing them for employment in the maritime and trades industries.

The local construction industry will benefit from the construction of the Port Business Center and Maritime 253 Skills Center.

**H. ENVIRONMENTAL IMPACTS / REVIEW**

Permitting: Permits are on track to meet the current project schedule.

Remediation: Remaining contaminated areas on Parcel 94 will be remediated in the coming months, prior to the school district opening in September 2026. As such, additional remediation does not preclude execution of this Second Amendment and Joint Use Agreement.

Stormwater: No additional stormwater facilities are needed to execute this Second Amendment and Joint use Agreement.

Air Quality: Not Applicable.

**I. NEXT STEPS**

- The Second Amendment to Ground Lease/Interlocal Agreement will be presented at the Tacoma Public School's Board of Directors meeting on June 12, 2025.
- Port will continue to work with BNSF to finalize the at-grade crossing design, construction and implementation of a permanent rail crossing agreement that will serve both the Port and the District.
- The Port is in the process of obtaining all city, state, and federal permits necessary to complete building construction and placement of all utilities.
- Port to deliver all site improvements to the district as agreed upon.