

COMMISSION AGENDA

Item No: 5D

Meeting: 07/26/2018

DATE: July 13, 2018

TO: Port Commission

FROM: John Wolfe, Chief Executive Officer
Sponsor: Nick Demerice, External Affairs Director
Presenter: Evette Mason, Government Affairs Manager

SUBJECT: Contribution to Parks on the Foss Capital Campaign

A. ACTION REQUESTED

Authorization of a \$250,000 advance fee-in-lieu payment to the City of Tacoma's Public Access Fund per the 2013 Interlocal Agreement Authorizing a Flexible Approach to Shoreline Public Access Provision between the City of Tacoma and the Port of Tacoma. The Port's contribution is contingent on the following additional criteria:

- The City of Tacoma and Metro Parks each commit a minimum of \$750,000 to the Parks on the Foss Capital Campaign by formal action of their respective elected bodies prior to the initial 2021 payment;
- Successful completion of the \$11.5 million capital campaign by June 2021;
- Port funds would be deposited into the City of Tacoma's Public Access Fund as credits for future shoreline permits requiring public access; and
- Port funds would be dedicated to the development of Waterway Park.

B. BACKGROUND

The Foss Waterway Development Authority (FWDA) is charged by the City of Tacoma to manage and develop the lands along the 1.5-mile Thea Foss Waterway shoreline. Since 1996, the FWDA has been the primary steward of the downtown waterfront and guides its growth. The agency has been involved in multiple public-private partnerships to address environmental issues, construct the public esplanade, and develop residential, office and commercial projects that benefit Tacoma. Today, museums, residential developments, restaurants, marinas and other businesses line much of the west shoreline where industrial activities once stood. The partially completed pedestrian walkway along the shoreline that borders these developments attracts people to this waterfront neighborhood to enjoy water views and access marina activities.

Two parks are part of the current Parks on the Foss Capital Campaign. The first park to be constructed in 2020 on a $\frac{3}{4}$ -acre site centrally located on Dock Street between the Murray Morgan Bridge and the 15th Street Bridge is Melanie Jan LaPlant Dressel Park. This will be only the second children's play park constructed along Tacoma's shoreline and will provide

amenities for families with children as well as older age groups to connect with the water. Construction cost for this park is \$3.041 million dollars.

Waterway Park at the head of the Thea Foss Waterway along the eastern shoreline on a four-acre site will be a regional rowing and paddling facility as well as a neighborhood park for the Dome District. It will provide storage and launching for all types of human-powered watercraft and is planned to be constructed in 2022 at a cost of \$8.5 million dollars. This park will encourage individuals and groups to engage with the water.

The feasibility study conducted in 2017 for both parks indicated that Central Park should be constructed first due to its lesser cost and scale. Some study participants from the private sector indicated that commitments from public sector agencies must be an integral part of both parks before private donations would be made and cited the Port of Tacoma as one of the agencies. Both parks are components of the FWDA adopted 2012 Foss Master Redevelopment Strategy and will further the completion of the Foss Waterway vision.

FWDA has requested financial support from the Port of Tacoma to support their efforts in developing the two parks. Based on Commission interest, staff has developed a proposal to accommodate this financial contribution via advanced public access fee-in-lieu payments.

C. PORT BENEFITS

The Port of Tacoma's financial contribution to Waterway Park would be acknowledged at the park's groundbreaking and ribbon-cutting ceremony, and the Port's name reflected on donor walls at both parks. In addition, Port funds would be deposited into the City of Tacoma's Public Access Fund as credits for future shoreline permits requiring public access.

D. PROJECT SCHEDULE FOR WATERWAY PARK

- Operations Plan by Metro Parks and design work completed in 2018.
- Capital Campaign for both parks complete by January 2020.
- Construction documents developed for park construction to start early 2022.

E. FINANCIAL SUMMARY

Funds would be budgeted through the Port's annual budget process as follows:

| | |
|------|--|
| 2021 | \$125,000 (assumes Metro Parks and City of Tacoma funding and successful capital campaign) |
| 2022 | \$125,000 |

The contributions would initially be accounted for as a pre-paid balance sheet. In future years when the fee-in-lieu credits are used, the costs would be recognized as an operating

expense or depreciation, depending upon the nature of the projects with which they are associated.

F. ECONOMIC INVESTMENT/JOB CREATION

A completed Foss Waterway Parks Management and Operations Plan by consultants Ballard*King is anticipated in early fall 2018. The current working draft of the report indicates that:

- Metro Parks will own the facility once completed and be responsible for the overall management and maintenance of the park (FWDA owns the park until construction is completed).
- A private contractor(s) would provide watercraft rentals, manage payments for private watercraft storage and operate any food service on the premises.
- Proposed agreements with user groups would provide water-based programs and services at the park, including classes.
- The pro-forma is currently in development to determine fees and staffing. At this time, the number of new jobs created by this facility is unknown.

G. ENVIRONMENTAL IMPACTS/REVIEW

Both parks are currently void of landscaping and will be transformed into attractive landscaped environments that provide the environmental benefits of both shade and open space, reduce the urban heat island effect and help reduce surface water run-off. They also provide many health benefits to park users of all ages with recreational activities.

H. NEXT STEPS

With the Port Commission's authorization, Port staff would work with City of Tacoma staff to finalize the payment program and dedication of the funds to Waterway Park via the City's Public Access Fund.