

# COMMISSION AGENDA

Item No: 3C

Meeting: 08/17/17

**DATE:** August 3, 2017

**TO:** Port of Tacoma Commission

**FROM:** John Wolfe, Chief Executive Officer

Sponsor: Scott Francis, Director of Real Estate and Industrial Development

Project Manager: Evette Mason, Manager Government Affairs

**SUBJECT:** Approval of North Lincoln Loop Road Easement

## **A. ACTION REQUESTED**

Request authorization for the Port of Tacoma's CEO or designee to enter into an easement agreement for North Lincoln Loop Road with the City of Tacoma as a condition of the Milwaukee Street Vacation.

## **B. BACKGROUND**

In 1994, the Port of Tacoma Commission entered into an interlocal agreement with the City of Tacoma that sets forth the rights and obligations of the parties pursuant to the SR-509 Highway Project. One of the City's obligations is to vacate Milwaukee Avenue between Lincoln Avenue and the Puyallup River Viaduct/East 11<sup>th</sup> Street.

In September 2013, the Hearing Examiner conducted a public hearing on the vacation petition and found that over the years there were substantial changes to the City's arterial street system serving the Port-area properties. Specifically, the Lincoln Avenue Grade Separation resulted in limited access to Lincoln Avenue from Milwaukee Way. By vacating Milwaukee Way north of Lincoln Avenue, the proposal creates a dead end, adversely impacting an arterial and heavy haul route. The Hearing Examiner's findings required connectivity between Lincoln and Milwaukee and suggested the Port provide a public easement over the private drive that currently connects Lincoln Loop Road to Milwaukee Way.

Port staff evaluated other connectivity options and regularly met and exchanged information with City of Tacoma staff before finding that the Hearing Examiner's suggestion was the best and most viable option. Alternative options included building new connecting roads, related costs and right-of-way requirements.

Completing the Milwaukee Way Street Vacation transfers the ownership and maintenance/repair responsibilities for Milwaukee Way and the associated right-of-way to the Port of Tacoma.

**C. SCOPE OF WORK**

With this action, the Port's CEO will enter into an Easement Agreement with the City of Tacoma for the North Lincoln Loop Road. The City of Tacoma is then able to complete the Milwaukee Way Street Vacation.

**D. FINANCIAL SUMMARY**

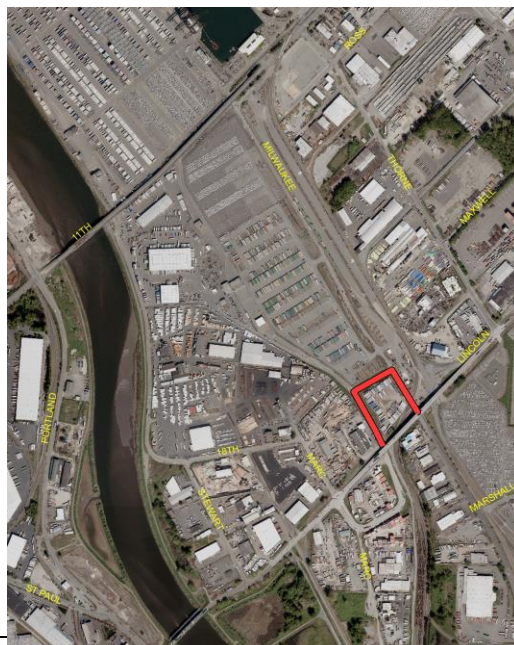
**Cost:** There are no financial costs associated with this easement agreement. However, there are costs associated with repairing the road once the street vacation is complete and ownership of the road has transferred to the Port of Tacoma. The current CIP identifies approximately \$664,000 in repairs to grind, patch and repave the roadway.

**E. ECONOMIC INVESTMENT / JOB CREATION**

The Milwaukee Street Vacation will support cargo moves between the South Intermodal Rail Yard and the UP facility across the street. In 2016 these facilities generated about \$9.7 million in revenue and over \$3.6 million in operating income. These facilities also support an estimated 646 jobs.

**F. NEXT STEPS**

1. The Port's CEO signs the easement agreement and it is delivered to the City of Tacoma.
2. The Tacoma City Council approves the Milwaukee Street Vacation, and the easement agreement and vacation ordinance documents are filed with Pierce County.
3. This process may take approximately six to 10 weeks, but when concluded, the Port of Tacoma will own Milwaukee Way.



**North Lincoln Loop Road Easement**