

COMMISSION AGENDA

Item No: 5F

Meeting: 2/21/2023

DATE: February 6, 2023

TO: Port Commission

FROM: Eric Johnson, Executive Director
Sponsor: Alisa Praskovich, Chief, Strategic Projects and Commission Relations
Project Manager: Gloria Fletcher, Sr. Manager, Real Estate & Econ. Development

SUBJECT: Approval of SR 509 Limited Access Right Transfer Deeds – Puget Sound Gateway Project

A. ACTION REQUESTED

Request Commission approval for the Executive Director or his delegate to execute a Quit Claim Deed transferring some limited access rights for Tax Parcel 0320013132 (North of SR 509) and Tax Parcel 0320013143 (South of SR 509) to WSDOT as part of WSDOT's Gateway Program for improved Highway 167/ SR 509 New Expressway Project.

B. BACKGROUND

The State Route 167 Completion Project will complete a critical missing link in Washington's highway and freight network. The highway will create new connections to the state's ports, improve the movement of freight and reduce congestion on local roads and highways. The program has multimodal benefits and creates 6.5 miles of new bike/pedestrian paths and 3.5 miles of new sidewalks. The Port of Tacoma has long been an advocate for completing SR 167, and it is one of only two transportation projects specifically identified in the Port's Strategic Plan under goal TA-1.

The requested action is in support of the SR 167 Completion Project. Section III of the Master Policy Resolution requires that unless expressly delegated, all real property transactions must be authorized by the Port Commission. The transfer of access rights is not expressly delegated, and therefore requires Commission approval.

C. SR 167 Completion Project

- Funding for the project was included in the *Connecting Washington* statewide transportation package,
- The first stage of construction (Stage 1a) at SR 167/70th Avenue Bridge Project is complete.
- The deed subject of this action is part of the next stage of construction (Stage 1b): SR 167/I-5 to SR 509 New Expressway Project.
- This stage of construction builds a new 2-mile highway between I-5 and SR 509 in Pierce County, providing a direct link to the Port of Tacoma. A diverging diamond interchange will be built over I-5 to connect I-5 to the future SR 167 extension. The Project includes a unique environmental improvement program (Riparian Restoration Program) which will restore about 150 acres of wetlands and streams near SR 167 and I-5.
- As a result of Stage 1b, the highway will move freight more reliably to and from the Port and nearby distribution centers, while taking truck traffic off local roads.
- This work will be followed by a final construction project to complete the rest of the unfinished SR 167 between I-5 and Puyallup in Pierce County.

- A link to a visualization showing what the new 2-mile highway will look like between Interstate 5 and SR 509 near the Port of Tacoma is available here:
https://www.youtube.com/watch?v=2lRjpUs9_0k&t=17s

D. Procedural History - WSDOT Limited Access Hearing

- On April 22, 2019, WSDOT notified owners of property adjacent to State Route 509, including the Port of Tacoma, of the plans to modify or eliminate access onto State Route 509 as part of the SR 167 Completion Project.
- As part of the SR 167 Completion project WSDOT will:
 - complete SR 167 by building a new, four-lane, Limited Access highway from its current terminus in Puyallup at SR 161 to SR 5, and
 - construct a two mile Limited Access highway from SR 509 near the Port of Tacoma to the new SR-5/SR 167 interchange, thereby creating two new Limited Access facility that did not previously exist.
- State Routes 167, 509, 99, and 5 are important parts of the State of Washington's highway system, representing a substantial expenditure of public funds to facilitate public travel.
- State Routes 5, 167 and 509 are functionally classified as Limited Access facilities within the project area.
- A "Limited access facility" is defined as a highway or street especially designed or designated for through traffic, and over, from, or to which owners or occupants of abutting land, or other persons, have no right or easement, or only a limited right or easement of access, light, air, or view by reason of the fact that their property abuts upon such limited access facility, or for any other reason to accomplish the purpose of a limited access facility. RCW 47.52.010.
- The new highway plans proposed the establishment of full access control on a new portion of SR 167 and the new SR 509 SPUR, and modification to the current access control portion of SR 99 and SR 5. As a result, some areas of existing residences and developments will receive modified access control.
- In limiting access, traffic congestion is reduced, traffic safety is increased, and the highway is preserved for efficient future use, protecting the investment of public funds.
- The efficiency of the highway as a means of moving a maximum volume of traffic in an optimal and safe manner is directly related to the number of access points.
- WSDOT has determined that as property owners establish approaches onto a highway for their personal use or business use, the optimum operation of the facility gradually diminishes and becomes obsolete.
- Therefore, as demands require, WSDOT restricts access points to a minimum consistent with allowing local traffic adequate use of the facility at properly designed intersections in order to preserve a highway's efficiency and safety.
- As applied to SR 509 and 167, the Port's Real Estate, Planning and Legal departments coordinated with Port tenants to determine what access may be affected and what access should be preserved. The Port's legal representative testified at the limited access hearing in May 2019 and provided written comments to WSDOT.

F. Affected Port Parcels.

The Port successfully advocated for maintaining four access points, which the state has memorialized as follows:

- **Tax Parcel 0320013132 (North of SR 509)**- This parcel is improved with extensive paving and railroad tracks, which are utilized for industrial purposes.

The site currently has frontage along the SR 509 right-of-way and Alexander Avenue but access is primarily provided by way of adjacent sites that are under the same ownership and have access along Alexander Avenue and Port of Tacoma Road. The Port sought to preserve the current access as this is sole entrance / access to an existing low volume but essential Railroad maintenance road.

WSDOT confirmed that this access point for railroad maintenance road is not impacted by the project.

On the north side of the intersection of Alexander and SR 509, along the west line of the proposed access, the Port advocated to allow trucks that serve the Port/its tenants to continue to use the existing two lanes to make a right-hand turn onto SR 509. WSDOT agreed to move the limited access line between SR 509 Station 169+08.67 and Alex station 15+37.9 to a new location at SR 509 168+92 and Alex Station 15+37.

The rights to light, view and air, together with the rights of access to and from the highway along the subject's southerly border (along SR 509) and a relatively small area along Alexander Avenue, will be acquired via the Quit Claim Deed.

Tax Parcel 0320013143 (South of SR 509) - This parcel is improved with a rail station and tracks. The access point of interest to access SR 509 here is slightly west of the Alexander and SR 509 Intersection. The Port advocated to maintain the driveway which serves the Port's property, and is an existing access on to Frontage Road, currently used for right in and right out only.

WSDOT agreed to provide a 55-foot Type C approach from SR 509 for rail maintenance vehicle ingress and egress, right-in and right-out movement only at SR 509, Station 161+14.

This parcel also enjoys an existing driveway with right-in and right-out access which serves as the principal entrance /exit for Port tenant Progress Rail Services Corporation. WSDOT will continue to provide this existing right-in and right-out access at the access point from Alexander Avenue to this parcel at Alex Station 10+59.

The rights to light, view and air, together with the rights of access to and from the highway along the subject's easterly border (except for the right-in, right-out access points) and a portion of the northerly border, will be acquired by WSDOT via the Quit Claim Deed.

E. SCOPE OF WORK

WSDOT has prepared a Quit Claim Deed to accomplish the revised limited access configurations, which has been reviewed and approved as to form by the Port's Real Estate and Legal Departments.

F. TIMEFRAME

Timeline: The Deed will be recorded in the near term; with construction: 2023-2028.

G. FINANCIAL SUMMARY

There is no direct financial impact to the Port for execution of the Deed. Also, the State's modification to or elimination of an access point is not compensable. RCW 47.52.041.¹

H. ECONOMIC INVESTMENT / JOB CREATION OF THE PUGET SOUND GATEWAY PROGRAM

- A completed SR-167 could fuel job growth to the tune of \$10.1 billion.
- That's the size of the new payroll expected to be generated by an expansion of the Port of Tacoma's international cargo and other operations — an expansion that is contingent on good transportation connections to move the freight to and from the docks.
- The economic benefit of saved travel time over 30 years is \$940 million.
- SR-167 is estimated to generate 948 direct jobs and up to 1,990 indirect jobs per year of construction.

I. ENVIRONMENTAL IMPACTS OF THE PUGET SOUND GATEWAY PROGRAM

- The project will improve air quality by reducing congestion, improve truck mobility, and smooth traffic flow levels. CO emissions, for example, are projected to be reduced by an estimated 26% under the build alternative compared to the no-build alternative.
- The proposed project mitigation links multiple fragmented habitats together, providing over 1,000 acres of contiguous habitat and resulting in a cumulative 70 percent increase in ecological services in the area.
- The project's proposed mitigation enhancements will reduce predicted flooding along Hylebos Creek from 246 acres to 187 acres—a 25 percent reduction.

J. NEXT STEPS

Upon Commission approval, the Executive Director or his delegate will execute the Quit Claim Deed to accomplish the revised limited access configurations.

¹ RCW 47.52.041—"Closure of intersecting roads—Rights of abutters. No person, firm or corporation, private or municipal, shall have any claim against the state, city or county by reason of the closing of such streets, roads or highways as long as access still exists or is provided to such property abutting upon the closed streets, roads or highways. Circuity of travel shall not be a compensable item of damage." See also RCW 47.52.010. "No person shall have any right of ingress or egress to, from, or across limited access facilities to or from abutting lands, except at designated points at which access may be permitted by the highway authorities upon such terms and conditions as may be specified from time to time."
