

PORT OF TACOMA COMMISSION
ACTION ITEM MEMO



Item No: 5D
Meeting Date: 3/21/2023

DATE: 3/8/2023
TO: Port of Tacoma Commission
FROM: Eric Johnson, Executive Director
Sponsor: Alisa Praskovich, Chief, Strategic Projects and Commission Relations
Project Manager: Gloria Fletcher, Sr. Manager, Real Estate
SUBJECT: 1905 Lincoln Ave. Sewer Easement

A. ACTION REQUESTED

Authorize the Executive Director or his designee to convey a utility easement for approximately 443 square feet of property located adjacent to 1905 Lincoln Avenue for a side sewer connection to the City of Tacoma's sanitary sewer system.

B. BACKGROUND

MJR Investment, LLC ("Grantee") is the owner of a 2.83 acre site located at 1905 Lincoln Avenue. They purchased the property in 2020 for \$4.9 million with plans to redevelop the existing buildings, which were built in 1919.

The existing buildings were connected to the City of Tacoma's sewer main located in Port of Tacoma property adjacent to the Grantee's property, tax parcel 0320031020. There is no easement on record that documents the original connection; however, it appears to have been in place at least as long as the Port has owned its property. A depiction of the properties is attached.

The Grantee has remodeled the existing buildings to add office space and built a new building that will support freight distribution for its subsidiary freight company, Honolulu Freight. The existing connection line was required to be replaced to accommodate the site redevelopment and the City of Tacoma requires an easement between MJR and the Port of Tacoma for the newly replaced lateral connection.

The proposed easement contains terms and conditions that have been reviewed and approved by the Port of Tacoma's Engineering and Environmental Departments.

C. TIMEFRAME/PROJECT SCHEDULE

Commission Approval	March 21, 2023
Easement Signature	March 31, 2023
Recording of Easement	April 30, 2023

D. FINANCIAL SUMMARY (*Determine when financial charts are appropriate*)

The Grantee will pay \$3,504 as consideration of this easement, which represents the fair market value of the impacted area on the Port's property and costs associated with Port staff review and legal fees.

E. ECONOMIC INVESTMENT / JOB CREATION

The proposed site developments made possible by this easement grant are estimated at \$3,000,000. The remodel of the existing building includes new office space and break room facilities for Honolulu freight staff. There are currently 15 jobs located at this site.

F. ENVIRONMENTAL IMPACTS / REVIEW

There are no environmental impacts of this easement.

G. NEXT STEPS

Upon Commission approval of the requested action, the Real Estate office will finalize and record the easement documentation.

Property Depiction

