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CITY COUNCIL MINUTES

City Council Chambers, 4:00 P. M.
Tuesday, December 28, 1965

Council met in regular session. Present on roll call 7: Cvitanich, Finnigan, Haley, Herrmann, Johnson, Price and Mayor Tollefson. Absent 2: Bott and Murtland. Mr. Murtland arriving at 4:15 P. M. and Mr. Bott at 4:25 P. M.

Mr. Haley moved that the minutes of the meeting of Dec. 14, 1965 be approved as submitted. Seconded by Mr. Johnson. Voice vote taken. Motion carried.

HEARINGS & APPEALS:

The City Planning Commission at its meeting of Dec. 6, 1965 recommended denial of the petition submitted by Wm. A. McPhee, M. D. for the rezoning of property located at the N. E. corner of So. 56th and Fawcett St. from an "R-2" to an "R-2-TM" District.

No appeal has been filed.

Mr. Johnson moved that the City Council concur in the recommendation of the Planning Commission to deny the petition submitted by Wm. A. McPhee, M. D. for the rezoning of property to an "R-2TM" District. Seconded by Dr. Herrmann. Voice vote taken. Motion carried.

RESOLUTIONS:

Resolution No. 18551

Fixing Tuesday, January 11, 1966 at 4:00 P. M. as the date for hearing on the Proposed Six-Year Comprehensive Street Program for the years 1966 through 1971.

Mr. Finnigan moved that the Resolution be adopted. Seconded by Dr. Herrmann.

The Resolution was passed unanimously by voice vote.
Ayes 7; Nays 0; Absent 2, Bott and Murtland.

Resolution No. 18552

Fixing Monday, February 14, 1966 at 4:00 P. M. as the date for hearing on L I D 6861 for street lighting on So. 48th St. from Orchard to Mullen and other nearby streets.

Mr. Finnigan moved that the Resolution be adopted. Seconded by Mr. Haley.

Mr. Rowlands explained that there was a clerical error in the Resolution

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and a redraft has been submitted.

Mrs. Price moved to accept the redraft of the Resolution. Seconded by Mr. Finnigan. Voice vote taken. Motion carried.

The Resolution as amended was passed unanimously by voice vote.
Ayes 7; Nays 0; Absent 2, Bott and Murtland.

Resolution No. 18553

Fixing Monday January 24, 1966 at 4:00 P. M. as the date for hearing on L I D 5403 for water mains and fire hydrants in Huson St. from Center St. approximately 2200 feet south.

Mr. Haley moved that the Resolution be adopted. Seconded by Mr. Finnigan.

The Resolution was passed unanimously by voice vote.
Ayes 7; Nays 0; Absent 2, Bott and Murtland.

Resolution No. 18554

Fixing Monday January 24, 1966 at 4:00 P. M. as the date for hearing on L I D 5415 for water mains and fire hydrants in East 18th to East J produced and in East 19th from East D to East J Street produced.

Mr. Haley moved that the Resolution be adopted. Seconded by Dr. Herrmann.

The Resolution was passed unanimously by voice vote.
Ayes 7; Nays 0; Absent 2, Bott and Murtland.

Resolution No. 18555

Fixing Tuesday January 11, 1966 as the date for hearing on rezoning of property located on the east side of Pacific Ave. between So. 8th & So. 88th Sts. extended from an "R-2" to an "R-4" District. (petition of Glen Ash)

Mr. Haley moved that the Resolution be adopted. Seconded by Mrs. Price.

The Resolution was passed unanimously by voice vote.
Ayes 7; Nays 0; Absent 2, Bott and Murtland.

Resolution No. 18556

Awarding contract to Standard Oil Co. of California for the furnishing of Automotive Diesel Fuel requirements for the calendar year 1966.

Mr. Finnigan moved that the Resolution be adopted. Seconded by Mr. Haley.

The Resolution was passed unanimously by voice vote.
Ayes 7; Nays 0; Absent 2, Bott and Murtland.

Mr. Murtland coming in at 4:15 P. M.

Resolution No. 18557

Awarding the contract for the official printing for the calendar year 1966 to the Tacoma Daily Index on its bid of \$1.04 per column inch.

Mr. Haley moved that the Resolution be adopted. Seconded by Mr. Finnigan.

The Resolution was passed unanimously by voice vote.
Ayes 8; Nays 0; Absent 1, Bott.

Resolution No. 18558

Awarding contract for the furnishing of motor oil requirements for the year 1966 to Tidewater Oil Co. on its bid of \$.3850 for bulk and \$.4060 for drum.

Mr. Haley moved that the Resolution be adopted. Seconded by Mr. Finnigan.

Mr. Finnigan said he noticed there was a great difference between the two lowest bidders.

Mr. Sankovich, who is on the Board of Contracts & Awards, explained that the Union Oil Co., Standard Oil Co. and the Shell Oil Co. had raised their bids, and the Tidewater Oil Co. has lowered their bid this time. Consequently the Tidewater Oil Co. was awarded the bid for the calendar year of 1966.

The Resolution was passed unanimously by voice vote.
Ayes 8; Nays 0; Absent 1, Bott.

Resolution No. 18559

Awarding contract for the furnishing of nine Transistorized Dispatchers to General Electric Co. on its bid of \$5,889.60 incl. tax less trade-in.

Mr. Haley moved that the Resolution be adopted. Seconded by Mr. Murtland.

The Resolution was passed unanimously by voice vote.
Ayes 8; Nays 0; Absent 1, Bott.

Resolution No. 18560

Awarding contract for the furnishing of eight motorcycles to Harley Davidson of Tacoma for a total of \$12,432.96 including trade-in.

Mr. Haley moved that the Resolution be adopted. Seconded by Mr. Murtland.

The Resolution was passed unanimously by voice vote.
Ayes 8; Nays 0; Absent 1, Bott.

Resolution No. 18561

Authorizing the sale of surplus vehicles to seven bidders.

Mr. Haley moved that the Resolution be adopted. Seconded by Dr. Herrmann.

The Resolution was passed unanimously by voice vote.
Ayes 8; Nays 0; Absent 1, Bott.

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Resolution No. 18562

Settling the claim of Ola H. Martin for the sum of \$586.45.

Mr. Haley moved that the Resolution be adopted. Seconded by Mr. Finnigan.

The Resolution was passed unanimously by voice vote.
Ayes 8; Nays 0; Absent 1, Bott.

Resolution No. 18563

Authorizing the execution of an agreement between the City and the Brotherhood of Railroad Trainmen relating to working conditions and rates of pay for employees of the Belt Line Division.

Mr. Haley moved that the Resolution be adopted. Seconded by Dr. Herrmann.

Mr. Benedetti stated that this Resolution climaxes negotiations between the Brotherhood of Railroad Trainmen and the Belt Line Division, the matter having reached an agreement after being referred to a federal mediator. He added, the Trainmen's organization desired retroactive wage settlement or an arbitrary payment similar to which is paid to other organized operating categories on the Belt Line. The payment follows the pattern arranged on a national basis and provides an arbitrary as is paid to the Yardmaster, Engineers and Firemen. Such arbitrary is in order because the City of Tacoma is restricted from making retroactive wage payments as is usually arranged in national settlements. A portion of the arbitrary will be paid only during the calendar year 1966. The Trainmen's organization agreed to altering Article III of their contract so that extra men on certain assignments will be paid at the straight time rate instead of at the time and one-half rate as presently accomplished. He noted that the monies were budgeted in the 1966 budget.

The Resolution was passed unanimously by voice vote.
Ayes 8; Nays 0; Absent 1, Bott.

Resolution No. 18564

Authorizing the execution of a revised rental agreement between the City and Nalley's Inc. for the rental of parking space east of the Stores Bldg. and South of So. 35th St. for the sum of \$492.00 a year.

Mr. Finnigan moved that the Resolution be adopted. Seconded by Mr. Haley.

Mr. Benedetti explained that the construction of the new warehouse building on land presently occupied as parking space for employees of the Dept. would create a shortage of parking facilities, both for employees and customers of the Utilities Dept. He added, the officials of Nalley's Inc. have agreed to the deletion of approximately 0.417 acres included in a lease approved on July 31, 1962, to assist the Utilities Dept. in solving the problem. Since the rental for the lease was paid for a full year, this authorization is requested to refund the amount of \$152.00 and the supplemental lease will correct the legal description to cover the remaining property under lease, and the revised rental will be at the rate of \$492.00 per year.

The Resolution was passed unanimously by voice vote .
Ayes 8; Nays 0; Absent 1, Bott.

Resolution No. 18565

Commending Mrs. Etta Garrison, Chairman of the City of Tacoma Beautification Committee for her work and efforts in connection with the beautification projects in the city of Tacoma sponsored by said committee.

Mr. Haley moved that the Resolution be adopted. Seconded by Mr. Murtland.

The Resolution was passed unanimously by voice vote.
Ayes 8; Nays 0; Absent 1, Bott.

Resolution No. 18566

Authorizing the proper officers to execute an agreement with the New Tacoma parking corporation providing for the acquisition, financing, construction, ownership and operation of two public parking facilities within the New Tacoma Urban Renewal Project, Wash. R-14, between Pacific Ave. & Commerce from So. 9th to the Rust Bldg. and between Pacific Ave. & Commerce from So. 12th to So. 13th Street. 154

Mr. Bott coming in at 4:25 P. M.

Mr. Haley moved that the Resolution be adopted. Seconded by Mrs. Price.

Mr. Rowlands stated there is an amendment submitted which is the result of the discussion of the City Council on Monday.

The City Clerk read into the record the amendments to the Resolution as follows:

Page 2, Exhibit B- The legal description revises the descriptions to exclude the City-owned Escalade and the proposed City-owned plaza areas in connection with said garages.

Pages 11 and 13 of Exhibit D (Lease) - This amendment places responsibility on the lessee to pay all of the taxes on the leased premises instead of having lessor pay them, as now provided. This is obviously in error in the original draft. Page 13 provides that the City must consent to subletting any part of the premises, in addition to the prohibition against assignment of the lease itself.

Page 24 of Exhibit E (Indenture) - The dollar amount of the purchase price is left blank, to be inserted when the actual reuse appraisal is determined for the site, as the exact figure cannot now be ascertained but which is estimated to be approximately \$310,000.00.

Page 33 of Exhibit E (Indenture) - This is a technical clarification of creditors rights insofar as bond holders are concerned and does not interfere with the City.

Page 40 of Exhibit E (Indenture) - The technical language is further clarified in respect to deposits to the sinking fund. This involves the bond holders and not the City.

Mr. Haley moved that the amendments be adopted. Seconded by Mrs. Price. Voice vote was taken on the motion to amend the Resolution. Motion carried.

Mr. Haley moved that the Resolution be adopted as amended. Seconded by Mrs. Price.

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Mr. Murtland asked if the tenants in the area who would be affected by this Resolution were notified of this action.

Mr. Richmond, Urban Renewal Director, stated, notices were sent to all of the property owners and tenants.

Mr. A. E. Saunders, President of the Puget Sound National Bank, stated that Mr. Richmond had notified all the property owners as well as the tenants the first part of October of all future plans and meetings. However, at that time there was no specific plan to show the group. He added, there has been a great deal of time and money spent reviewing and planning this project.

Mr. Gifford, consultant to the Downtown Central Association, stated that Mr. Richmond had done a fine job in explaining the planned project to both the property owners and tenants at the various meetings held. He added, all the tenants were invited to the last meeting by the Urban Renewal Dept. and he wished to commend them for their cooperation.

Mr. Haley asked that Mr. McCormick review the two Resolutions in detail for the record.

Mr. McCormick, City Attorney, stated that Resolution No. 18566 authorizes the proper officers of the City to execute with the New Tacoma Parking Corporation an agreement providing for the acquisition, financing, construction, ownership and operation of two public parking facilities within the New Tacoma Urban Renewal Project, Wash. R-14. There has been a great deal of time and money spent on the part of the businessmen and the various agencies involved in the project. He added, in 1963 the City Council authorized and established this Urban Renewal area. Later on a contract was authorized with the Federal Government agencies for this particular Urban Renewal Project. One of the necessary items of this Urban Renewal contract was the financing of the two garages which was necessary to provide the City with a non-cash facility that the City could use in lieu of cash for the accomplishment of this project. The original financing was provided for under this contract to be furnished by L I D funds. After this method was thoroughly investigated, it was determined that this was probably illegal and impractical insofar as furnishing the financing, so a plan was finally arrived at by the downtown merchants and it was necessary for them to set up a non-profit corporation which has been done. This is a party to this agreement. The non-profit corporation has agreed that it will issue bonds payable solely out of the revenue produced from this lease and from certain sale of surplus properties provided for in this agreement. That money is to be used for the building of the structures and the acquisition of the premises. These agreements outline the procedure. They have tentatively agreed to a plan which is an exhibit to this agreement outlining the two garages on the sites between Pacific Ave. and Commerce St. from So. 9th to the Rust Bldg. and between Pacific Ave. and Commerce from So. 12th to So. 13th Street. Furthermore, the agreement provides that the Urban Renewal Dept. will buy the buildings and clear the sites and will then sell, at the appraised value at that time, these sites to this non-profit corporation. In the agreement the non-profit corporation promises that it will deed the entire property which it has purchased back to the City as a Municipality. It should be kept in mind that the City "wears two hats" one, as a Trustee in the Urban Renewal Project and the other as a Municipal Corporation. This property will be deeded back to the City as a Municipal Corporation. The amount of money is approximately \$310,000 and the Urban Renewal fund will be reimbursed in this amount. The City then agrees as a condition of this transfer, to lease back to the non-profit corporation for a term which will correspond with the time that the bonds are paid off. Also as a part of the consideration of the deed of this property to the City, the City agrees to sell to the L D C Corporation which is another private corporation, organized by the business men for private development, the surplus property rights for the sum of \$310,000. That \$310,000 will be paid by the City when it is received from this corporation to the trustee of the bondholders to be placed in the construction fund for the building of the

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two garages. The agreement sets up the mechanics, copies of the deed, copies of the indenture of bondholders and the temporary plans. Mr. McCormick added, it was his understanding that feasibility reports have been obtained by these corporations and as far as they are concerned they are in agreement with the tentative plans.

He added, the next Resolution which is No. 18567 is simply authorizing the City of Tacoma to enter into an agreement with this local development corporation, wherein the local development corporation binds itself to raise and pay this \$310,000 which will go into the building of the structures along with the proceeds of the bonds. Upon the execution of these agreements, they will be sent to the San Francisco office of Urban Renewal in support of the City's petition to amend their original contract, as a method of financing the participating structures in lieu of the illegal and impractical method which is now in the contract of financing through an L I D. Also, one of the conditions of this agreement is the obtaining of an exemption from the I R S insofar as these bonds are concerned. It was his understanding that without that exemption, the investors will not buy them and this financing would not materialize.

He wishes to emphasize that the City is not obligated in any way in the event there is not sufficient income from these leases to pay for the garages; it would be up to the bondholders to pay the difference. The general obligation and credit of the City is not affected.

Mayor Tollefson stated that the agreements are drawn so that no third party could possibly interject themselves into the project. Everything has been done to eliminate probable risks in the drafting of the instruments.

Dr. Herrmann stated he was concerned with the fact that, perhaps, the City might find itself in the parking business.

Mr. McCormick, stated they would end up with the garages but at that time all of the bondholders would have been paid and it would be up to the City Council to make the determination to lease them, or for the City to operate them. In the event the income from the lease during the first 15 years is not sufficient to pay off the bondholders, the trustees have the right to offer the bondholders' committee as trustees who would undoubtedly operate the garages themselves.

Mr. Bott asked in the event the bondholders would take over, if there was any restriction in these documents stating to whom they could sell.

Mr. McCormick stated, in the agreement there is a provision that the lease cannot be assigned to anyone without the consent of the City Council.

Mr. Cvitanich noted that approximately 230 parking meters would be removed from this area and it was brought to his attention that the anticipated revenue from those meters would be made up through the percentage of the sales tax.

Mr. Rowlands explained that in the development of this project, it is contemplated that there will be a minimum amount of parking since the Broadway Mall is contemplated. Mr. Kosai, Traffic Engineer, has been concerned on the desirability of having parking on the hill streets, and it is desirable to eliminate those in any event. In the very near future due to the Pacific Ave. interchange, the complex with the freeway, Mr. Kosai has also suggested the possibility of having to eliminate parking on Pacific Avenue. The City will

probably have to make an overall parking adjustment regardless of whether the garages are built or not. However, it is proposed in this agreement that parking be eliminated on Broadway, Commerce and one side of Pacific between 9th, 11th and 13th Streets. The City Council will make the final determination depending on traffic and parking conditions while keeping in mind the effect the continuation of parking could have on these garages.

Mr. Cvitanich asked where the revenue would be coming from to make up for the removal of the 230 meters.

Mr. Rowlands stated that the 900 meters that would be left will be used more consistently.

Mr. Haley asked that the record show the chronological report of the resolutions acted upon by the City Council in regard to implementing the New Tacoma Project Wash. R-14. They are as follows:

<u>Resolution Number</u>	<u>Date</u>	
17172	Sept. 4, 1962	The Survey & Planning Application was filed with the Housing and Home Finance Agency.
17360	Feb. 26, 1963	A contract was executed with the Real Estate Research Corp. for a marketability study.
17372	March 5, 1963	A contract was authorized with the Tacoma Title Co. for issuance of ownership certificates.
17376	March 5, 1963	A contract was executed for the planning, design, and structural engineering of the downtown project with the architectural firm of Rockrose & Watson of San Francisco (Hanamoto, Mayes & Beck; Price & Whitaker).
17381	March 13, 1963	The Survey & Planning Application (Res. No. 17172) was amended to include an "anti-discrimination" clause.
17382	March 13, 1963	Acceptance of the contract for the planning advance.
17383	March 13, 1963	The project boundaries were amended to include the area between 13th and 15th Streets, from Commerce Street to Court 'D'. This superseded Resolutions 17172 & 17381.
17398	March 26, 1963	The first acquisition appraisal contract with Mid-America Appraisal Corp. was authorized.

17399	March 26, 1963	A contract was executed with the Tacoma Housing Authority for relocation planning.
17500	June 11, 1963	All contractors were authorized to proceed with the previously executed contracts.
17507	June 18, 1963	The Survey & Planning Contract was amended to allow the re-financing of costs of surveys which were to be conducted.
17572	July 30, 1963	The date of the public hearing was established to be August 20, 1963.
	Aug. 20, 1963	Public hearing was held.
17597	Aug. 27, 1963	The Urban Renewal Plan was approved.
17888	May 26, 1964	A contract was executed with Don Hansen, a structural engineer, to estimate costs of seismic rehabilitation.
18162	Jan. 19, 1965	Approving and providing for, etc. This resolution provided for the City to preserve existing credits within project area.
	July 5, 1965	Members of the Central Association met with members of the City Council at a study session to express interest in cooperating with the City in forming a non-profit corporation to provide parking facilities within the New Tacoma Project, if such facilities would implement the execution of this project.
18364	July 13, 1965	Amends financing plan providing for a new approach to New Tacoma Project (parking facilities).

Mr. Johnson stated he was deeply grateful that there has been found in the City of Tacoma, public spirited citizens who are willing to risk their money to make Tacoma a City worth living in. He felt that Mr. Saunders and Mr. Gifford and the organizations they represent are to be highly commended for the work they have done.

The Resolution as amended was passed by voice vote.
Ayes 8; Nays 1, Cvitanich; Absent 0.

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Resolution No. 18567

Authorizing the execution of an agreement with the Local Development Co., of Pierce Co. for property rights and interests within the public parking facility locations between Pacific Ave. and Commerce from So. 9th to the Rust Bldg. and between Pacific Ave. and Commerce St. from So. 12th to So. 13th St.

Dr. Herrmann moved that the Resolution be adopted. Seconded by Mr. Price.

Mr. McCormick stated that this has an amendment to pages 3, 4, 5, and 6 for the corresponding numbered pages of the original agreement. These amendments will conform to the changes made in the description of Res. No. 18566.

Mr. Haley moved that the amendments be accepted. Seconded by Dr. Herrmann. Voice vote taken. Motion carried.

The Resolution as amended as passed by voice vote.
Ayes 8; Nays 1, Cvitanich; Absent 0.

Mayor Tollefson remarked that a good number of people have donated their time and effort toward the accomplishment of this project. He wished to congratulate the Central Association, the landlords and the downtown merchants in cooperating to the extent that the City could work with this group. He felt this would be a major step in revitalizing the City of Tacoma.

Mr. Saunders said he would like to thank the Council for their cooperation and commended all of the various groups who have worked so diligently for this project.

FINAL READING OF ORDINANCES:

Ordinance No. 17977

Granting to the N. P. Railway Co. a franchise to operate over certain existing railroad trackage located in Canal St. northwesterly of East 11th St.

Roll call was taken on the Ordinance, resulting as follows:

Ayes 9; Nays 0; Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 17983

Vacating the East and west 10 feet of Bennett St. between So. 10th and Kellogg Sts. and the north and south 10 feet of So. 11th between Shirley and Villard Sts.

Roll call was taken on the Ordinance, resulting as follows:

Ayes 9; Nays 0; Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 17984

Amending Chapter 13.06 of the official code by adding a new section 13.06.080-3 to include property on the south east corner of So. 40th & Yakima Ave. in an "R-4-TM" District. (petition of Robert W. Haglund, D. M. D.)

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Roll call was taken on the Ordinance resulting as follows:

Ayes 9; Nays 0; Absent 0.

The Ordinance was declared passed by the Chairman.

ITEMS FILED IN THE OFFICE OF THE CITY CLERK:

- a. Personnel report for the month of Nov. 1965.
- b. Tacoma Police Dept. report for the month of Nov. 1965.
- c. Director of Finance report for the month of Nov. 1965.

COMMENTS:

Mr. Finnigan asked what safe-guards does the City have to withdraw from the projects that have recently been approved in the event the conflict in Viet Nam becomes more serious.

Mayor Tollefson explained that the Federal Bureau of the Budget is not allowing all of the agencies their requested amounts of money, but is approving only the 1965 budgets of these agencies. However, funds are available at this time if the City can qualify.

Mr. Rowlands said if there was a national emergency, such as a full scale war, any of these projects would obviously have to stop. However, the City will proceed with all these programs if the money is approved for Tacoma.

Mayor Tollefson stated the only curtailment that he recollects was the money requested by the National League of Cities to study the water situation and the Bureau of the Budget turned that request down as it felt the individual staffs could work out that problem.

Mr. Rowlands stated that on Thursday, Dec. 30, 1965 the Goals for 1966 outlined in an MC would be submitted to the Council members.

Mayor Tollefson thanked the City Council and the staff for their cooperation during the year 1965 and wished everyone a Happy New Year.

There being no further business to come before the Council, upon motion duly seconded and passed, the meeting adjourned at 6:00 P. M.

Attest:

Ernestine Nelson
City Clerk

AM Tollefson
Mayor of the City Council