

CITY COUNCIL MINUTES

City Council Chambers, 4:00 P. M.
Tuesday, August 20, 1963

Council met in regular session. Present on roll call 8: Cvitanich, Finnigan, Haley, Herrmann, Murtland, Price, Steele and Mayor Tollefson. Absent 1: Bott.

Mr. Steele moved that Mr. Bott be excused. Seconded by Mr. Cvitanich. Voice vote taken. Motion carried.

Mr. Haley moved that the minutes of August 7, 1963 be approved as submitted. Seconded by Dr. Herrmann, Voice vote taken. Motion carried.

COMMUNICATIONS:

a. The City Planning Commission transmitting the Central Business District Comprehensive Land Use and Development Plan.

Mr. Buehler, Director of Planning, stated the C. B. D. Report is submitted for the City Council's information. After the City Council has studied this matter, it is hoped it will be adopted.

b. The Executive Committee of the Community Development Advisory Committee submitting a report on Minority Housing. 360

Mr. L. H. Pederson, Chairman of the Community Development Advisory Committee, read into the record a communication dated August 15, 1963, attached to the report containing the recommendations of the Housing and Social Welfare Subcommittee concerning minority housing.

He stated further, if the Council wished, the Committee will assist them in any way possible.

Verbatim - requested by Mr. Haley.

Mayor Tollefson stated, "On behalf of the City Council, I want to thank the Committee and the sub-committee for making this study and submitting the recommendations to the City Council. The Committees can be assured that the Council will study the recommendations and the report with all dispatch and bring in an Ordinance before the Council for final action. Prior to that time, as suggested in your letter, the Council as a committee as a whole may wish to call on the Executive Committee or the Housing and Social Welfare Sub-committee to discuss certain ramifications of the proposal and the report."

"Are there any other written communications with regard to this matter?"

"Then proceed with the regular order of business."

End of Verbatim.

HEARINGS AND APPEALS:

Deputy City Clerk: This is the date set for the public hearing for the approval of the New Tacoma Urban Renewal Plan and Project, in compliance with 42 U. S. C. A. Section 1455 (a) and (d) and RCW 35.81.060. ³⁶²

Mr. Sankovich: The Urban Renewal staff and other personnel who have been actively engaged in the New Tacoma Urban Renewal area and others wish now to present the information they have obtained to the City Council and the public. I would like to have, if it is agreeable with the Council, Mr. John Maxwell, who is the attorney assigned to this particular project, make the presentation and direct the proceedings. Mr. Maxwell.

I am John W. Maxwell, Assistant City Attorney for the City of Tacoma. This is the time fixed for the public hearing on the New Tacoma Urban Renewal Plan. You will note that the speakers before you today will be reading from printed speeches, as I am doing. This is done for three reasons, to save time in presentation, to effect more concise talks, and, if the Council is so inclined, these talks can be incorporated into the Minutes of the meeting for a more precise record. I specifically ask that this be done and further request that the various materials, studies, and reports presented to the Council regarding this matter be also incorporated into the Minutes of this proceeding.

Mr. Maxwell then outlined the nine determinations that must be found before the New Tacoma Urban Renewal Plan could be approved. He then introduced the following persons to present their observations and conclusions:

Lewis C. Hatfield, Vice Chairman, Tacoma City Planning Commission, read a statement from the Planning Commission covering a number of planning factors involved in the area.

Harald Bergerson, Executive Director, Tacoma Housing Authority gave an explanation of a workable and feasible plan for making available adequate housing for the persons to be displaced by the project.

Deputy Fire Marshall Kenneth Heymel explained how the facts in the Project area, as observed by the inspector relates to the State Statute symptoms of blight and how these symptoms indicate a menace to the public health, safety, welfare and morals in the Project's present condition and use.

Dr. C. R. Fargher, Director of Health and Welfare, Tacoma-Pierce County, explained how the observed facts in the Project area by the inspector relate to the State Statute symptoms of blight, and how these symptoms indicate a menace to the public health, safety, welfare and morals in its present condition and use.

Lester Gillis, Chief of the Building Division, Public Works Dept., explained how the facts in the Project area, as observed by the inspector, relate to the State Statute symptoms of blight, and how these symptoms indicate a menace to the public health, safety, welfare, and morals in the Project's present condition and use.

Mr. Robert Mallin, Director of Urban Renewal, gave the financial report, a report of park and recreational facilities, also a report on transient housing, a statement indicating why redevelopment for nonresidential housing is necessary, a statement indicating why the Plan provides maximum opportunity for private redevelopment and rehabilitation and a summation of the matter that has been presented this evening.

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INCORPORATED IN THE OFFICIAL MINUTES OF THE MEETING
OF AUGUST 20, 1963

NEW TACOMA PROJECT
TRANSCRIPT OF PUBLIC HEARING

before the City Council
of the City of Tacoma

Deputy City Clerk: This is the date set for the public hearing for the approval of the New Tacoma Urban Renewal Plan and Project, in compliance with 42, U.S.C.A. Section 1455 (a) and (d) of RCW 35.81.060.

Mayor Tollefson: Mr. Sankovich.

Mr. Sankovich: Mr. Mayor, the Urban Renewal staff and other personnel who have been actively engaged in the New Tacoma Urban Renewal area, and others wish to present now the information they have obtained to the City Council and the public. I would like to have, if it is agreeable to the Council, Mr. John Maxwell, who is the attorney assigned to this particular project, make the presentation and direct the proceedings. Mr. Maxwell.

Mr. Maxwell, Members of the Council, Ladies and Gentlemen:

I am John W. Maxwell, Assistant City Attorney for the City of Tacoma.

This is the time fixed for the public hearing on the New Tacoma Urban Renewal Plan. You will note that the speakers before you today will be reading from printed speeches, as I am doing. This is done for three reasons - to save time in presentation, to effect more concise talks, and, if the Council is so inclined, these talks can be incorporated into the Minutes of the meeting for a more precise record. I specifically ask that this be done and further request that the various materials, studies, and reports presented to the Council regarding this matter be also incorporated into the Minutes of this proceeding. These materials, studies, and reports will be referred to in more detail later in this presentation.

This hearing is the result of the statutory requirements found in the Revised Code of Washington, 35.81.060(3) and (4), and 42 U.S.C.A. Sec. 1455 (a) and (d). These two sections make this public hearing necessary and list the determinations that must be made, following this hearing, by the City Council before the City Council may approve this urban renewal project. These required determinations are, briefly:

- (1) Whether or not a workable and feasible plan exists for making available adequate housing for persons who may be displaced by the project;
- (2) Whether or not the Urban Renewal Plan conforms to the Comprehensive Plan or parts thereof for the City of Tacoma as a whole;
- (3) Whether or not the Urban Renewal Plan will afford maximum opportunity, consistent with the sound needs of the City of Tacoma as a whole, for the rehabilitation or redevelopment of the New Tacoma Urban Renewal Area by private enterprise;

- (4) Whether or not a sound and adequate financial program exists for the financing of the New Tacoma Urban Renewal Project and the requirement of financial assistance from the Federal Government;
- (5) Whether or not the New Tacoma Urban Renewal Project Area is a blighted area as defined in RCW 35.81.010(2) and as modified by Miller v. City of Tacoma, 161 Wash. Dec. 373.
- (6) Whether or not financial assistance under the provisions of Title I of the Housing Act of 1949, as amended, is necessary to enable the land in the Project Area to be renewed in accordance with the Urban Renewal Plan for the Project area;
- (7) Whether or not the redevelopment of the Urban Renewal Area for predominantly nonresidential uses is necessary for the proper development of the community;
- (8) Whether or not the Urban Renewal Plan for the New Tacoma Urban Renewal Area gives due consideration to the provision of adequate park and recreational areas and facilities, as may be desirable for neighborhood improvement, with special consideration for the health, safety, and welfare of children residing in the general vicinity of the site covered by the Plan; and
- (9) Whether or not there exists in the Urban Renewal Area a need for additional units of transient housing.

In order to help you arrive at a proper determination in regard to these findings you have been furnished with the following materials which are marked for identification as follows:

- Exhibit No. 1 - Urban Renewal Plan for the New Tacoma Urban Renewal Area - Project No. Wash. R-14 - Revised August 16, 1963
- Exhibit No. 2 - The Central Core
- Exhibit No. 3 - C.B.D. Frame Studies
- Exhibit No. 4 - The Relocation Report
- Exhibit No. 5 - The New Tacoma Urban Renewal Project Investigations Report
- Exhibit No. 6 - Tacoma's Workable Program for Community Improvement, Recertified February, 1963
- Exhibit No. 7 - New Tacoma Urban Renewal Project: Planning and Design Objectives
- Exhibit No. 8 - New Tacoma Project - Traffic Planning Study
- Exhibit No. 9 - Land Utilization and Marketability Study New Tacoma Project, Tacoma, Washington
- Exhibit No. 10 - Central Business District Comprehensive Land Use and Development Plan, to which is attached the City of Tacoma Planning Commission Resolution adopted July 22, 1963, and the letter of transmittal dated July 25, 1963
- Exhibit No. 11 - New Tacoma Public Hearing Speeches August 20, 1963

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I now hand forward to the members of the City Council these Exhibits marked 1 through 11. I further request that a Motion be made that these Exhibits and all their included materials be incorporated within the Minutes of this meeting so that there will be a complete and concise record of the matters before the Council in this hearing.

In the recent case of Victor J. Miller v. the City of Tacoma, 161 Wash. Dec. 373, the appellant (Miller) urged that the urban renewal law of this state was unconstitutional for two reasons: (a) that many of the elements set forth in the statutory definition of a "blighted area" are not sufficient to support a conclusion that the area is being acquired for a public use, and (b) that the power to sell the property later to private persons makes the use a private one.

The Supreme Court held that the urban renewal law was constitutional and further, with reference to the statutory definition of "blighted area" in RCW 35.81.010(2) the court said:

" . . . for we believe that RCW 35.81.010(2) is sufficient to support the conclusion of 'public use' - - especially if the area contains' . . . insanitary or unsafe conditions'; . . . conditions which endanger life or property by fire or other causes . . .; conditions . . . conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime . . .; or if the area . . . is detrimental or constitutes a menace to the public health, safety, welfare, and morals in its present condition and use."

The court stated that in light of this conclusion it would not pass on the other portions of the law defining "blighted areas" as to whether or not they would also support a "public use."

The complete definition of "blighted area" is in RCW 35.81.010(2), as follows:

" 'Blighted area' shall mean an area which, by reason of the substantial physical dilapidation, deterioration, defective construction, material, and arrangement and/or age or obsolescence of buildings or improvements, whether residential or nonresidential, inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the basis of an examination of the building standards of the municipality; inappropriate or mixed uses of land or buildings; high density of population and overcrowding; defective or inadequate street layout; faulty lot layout in relation to size, adequacy, accessibility or usefulness; excessive land coverage; insanitary or unsafe conditions; deterioration of site; diversity of ownership; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; improper subdivision or obsolete platting; or the existence of conditions which endanger life or property by fire or other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime; substantially impairs or arrests the sound growth of the city or its environs, retards the provision of housing accommodations or constitutes an economic or social liability, and/or is detrimental, or constitutes a menace, to the public health, safety, welfare, and morals in its present condition and use."

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The Supreme Court in this case further held that the City Council's determination that the Center Street Urban Renewal Project Area was blighted was not arbitrary and capricious. The court stated that such a finding is not arbitrary and capricious if there is evidence in the record to support it.

With regard to appellant's second contention, the Court stated as follows:

"RESALE OF LAND. A survey of the decided cases discloses at least four theories, each supporting the same conclusion, that urban renewal legislation is not rendered unconstitutional by reason of the fact that some of the land may be resold, subject to use restrictions that prevent reoccurrence of the blighted condition, to private interests for redevelopment.

"First: In Berman v. Parker, 348 U. S. 26, 99 L.Ed.27, 75 S. Ct. 98 (1954), this court said:

" . . . Once the object is within the authority of Congress, the means by which it will be attained is also for Congress to determine. Here one of the means chosen is the use of private enterprise for redevelopment of the area. Appellants argue that this makes the project a taking from one businessman for the benefit of another businessman. But the means of executing the project are for Congress and Congress alone to determine, once the public purpose has been established. (Citing cases) The public end may be as well or better served through an agency of private enterprise than through a department of government - or so the Congress might conclude. We cannot say that public ownership is the sole method of promoting the public purposes of community redevelopment projects. . .'

"Second: In Valishka v. Nashua, 99 N.H. 161, 106 A.(2d) 571, 14 A.L.R.(2d) 1406 (1954), the court said:

" . . . The resale or lease with conditions consistent with the redevelopment plan are an essential and continuing part of the public purpose. This has been recognized in many jurisdictions. (Citing authorities)'

"Accord: Hunter v. Norfolk Redevelopment & Housing Authority, 195 Va. 326, 78 S.E.(2d) 893 (1953).

"Third: In Boeller v. Housing Authority of Portland, 198 Ore. 205, 256 P.(2d) 752 (1953), the court emphasized that the primary accomplishment of such legislation is the prevention of the recurrence of blight by placing restrictions in deeds of reconveyance.

"Fourth: In many cases . . . the subsequent transfer of land to private parties is described as being 'merely incidental to the main public purpose.'

"An overwhelming majority of the courts of last resort in other jurisdictions have held that urban renewal laws, similar to the one before us, are for a 'public use' and constitutional; hence, the expenditure of public funds is for a public purpose.

"We agree."

Urban Renewal is defined as a program where blighted areas of a city or urban area are acquired by its governing body for the purpose of eliminating the conditions of blight. The second phase of the Urban Renewal Program is the prevention of the recurrence of the conditions of blight.

This evening, the personnel who have been actively engaged in the New Tacoma Urban Renewal Area will present in summary their observations and conclusions. This material will relate to the nine determinations to be made by this Council following this hearing.

These gentlemen are, in order of their appearance, Mr. Lewis C. Hatfield, Vice Chairman, Planning Commission, who will read to you the Tacoma City Planning Commission resolution adopted July 22, 1963; Mr. Harald Bergerson, Executive Director, Tacoma Housing Authority, who will present a review of the Relocation Plan and how this Plan will operate; Deputy Fire Marshall Kenneth Heywood of the Fire Department, who will give his evaluation of the fire hazards involved in the Urban Renewal Area, together with an over-all evaluation of the fire conditions within the Area; Dr. C. R. Fargher of the Health Department, who will evaluate the health hazards involved in the Urban Renewal Area; Mr. Lester Gillis of the Department of Public Works, who is the Chief of the Building Division, who will give the structural and other evaluations of all structures within the Urban Renewal Area; Mr. Robert Maffin, Urban Renewal Director, who will explain the Urban Renewal Plan and its feasibility and will indicate why the Plan provides maximum opportunity for private redevelopment and rehabilitation. Mr. Maffin will further cover in his speech other matters as they relate to the various determinations to be made by the Council in this hearing. He will then present a summation of all materials presented to you this evening.

We ask for the opportunity to complete the entire formal presentation prior to comments and questions by the Council and the audience. Also, we request that each speaker from the audience use the microphones and state his name and address.

In conclusion, it is our hope that the material that will be presented to you today by the speakers who follow me, when taken together with the material submitted to the Council, will form a basis for properly judging the New Tacoma Urban Renewal Project Plan. Therefore, I will now turn the floor over to Lewis C. Hatfield, who will start the presentation of the Tacoma City Planning Commission report.

WHEREAS, the Council of the City of Tacoma, has submitted to the Planning Commission the Urban Renewal Plan for the New Tacoma Urban Renewal Area, Project No. Washington R-14, for review and recommendation, as required by Law, by its communication dated July 9, 1963, and

WHEREAS, the Planning Commission of the City of Tacoma has been in possession of the above identified plan since July 10, 1963, for review and study, and

WHEREAS, this review and study of said plan has been accomplished, now, therefore,

BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF TACOMA:

That the Urban Renewal Plan for the New Tacoma Urban Renewal Area, Project No. Washington R-14, dated June 27, 1963, as revised to July 18, 1963, and with amendments made thereto by the Planning Commission at its special meeting of July 22, 1963, being composed of a table of contents, 23 pages of text and tables, and 4 exhibits published by the Office of Urban Renewal of the City of Tacoma in July of 1963, a copy of which is hereto attached, be and is hereby approved and adopted as being in conformance with the Comprehensive Plan and parts thereof for the development of the municipality of Tacoma as a whole subject to the conditions outlined in the Planning Commission's communication to the City Council dated July 25, 1963, a copy of which is hereto attached, and

BE IT FURTHER RESOLVED that the Planning Commission of the City of Tacoma recommends that the Council of the City of Tacoma approve and adopt the above-identified Urban Renewal Plan, and that this resolution signed by the chairman of the Planning Commission and attested by the Secretary of the Planning Commission be transmitted to the City Council as early as possible.

Adopted July 22, 1963.

/s/ Marshall Riconosciuto,
Chairman City Planning
Commission

Attest: /s/ Norman R. Smith,
Secretary City Planning Commission

Mr. Maxwell: Thank you Mr. Hatfield.

Mr. Carlbon: Can questions be asked of each speaker? Are the reports read by each speaker his own, or are they "Ghost-written."

Mayor Tollefson: "Mr. Carlbon the audience will have an opportunity to ask questions after all presentations had been made."

Mr. Maxwell: And now Mr. Harald Bergerson, Executive Director, of the Tacoma Housing Authority, will give his presentation of the Relocation Plan.

Honorable Mayor, Members of the Council, Ladies and Gentlemen:

I am Harald Bergerson, the Executive Director of the Tacoma Housing Authority.

Under both Federal and State legislation, a formal, written plan is required which sets forth an outline of assistance to be given to families and individuals who are forced to move as a result of urban renewal activity.

The Tacoma Housing Authority has been designated by the Council as the City's Relocation Agent. The general responsibility resides in the Urban Renewal Department and, through a third-party contract, the actual service is provided by the Authority. The arrangement has worked well in the two City urban renewal projects, Center Street and Fawcett.

Data for the Relocation Report were obtained by the Tacoma Housing Authority with the valued assistance of the Urban Renewal Department staff. We are very appreciative of this help.

There are 12 families and 331 single persons residing in the New Tacoma Project area. A visit will be made to each dwelling when we are notified the building is to be acquired and the informational letter shown in the Report will be given each tenant. The letter outlines the program and services which the Relocation Agent can offer.

An office will be opened in the area as soon as possible to handle all activities connected with relocation, leasing apartments and rooms pending demolition, and all information about the project. Experience in relocation activities to date shows that such an office in the area helps to lessen hardships for site residents.

The relocation housing need in the New Tacoma Project is for rental accommodations for couples and individuals. In addition, this need generally must be met by housing in downtown or in areas close to the Central City. Observations and interviews indicate a high degree of mobility among the residents, and it is expected that many will find housing without assistance. For those who have difficulty, the Relocation Agent will have information on all types of rental accommodations and make this information available on request.

From information obtained for the report, vacancies exist now which will accommodate those displaced. When we are notified that relocation housing is needed, up-to-date lists of available vacancies in standard accommodations will be prepared. The information will be obtained from real estate firms, private listings, the newspaper and from the files of the Tacoma Housing Authority. Everyone in the area making use of the relocation service will be considered on an individual and equal basis and referred to housing at rents he can reasonably be expected to pay. As far as possible, attention will be given to the location in which he desires to live. As the Report explains, for those couples and individuals needing other forms of assistance, the Relocation Agent will help them when requested.

The role of the Relocation Agent is to assist where assistance is requested. Referrals will be to housing accommodations which have been inspected by staff of the Tacoma Housing Authority in accordance with standards outlined in the Report. Refusal to accept standard housing without adequate reason will conclude the Relocation Agent's responsibility.

This report is an outline of services available to residents of the urban renewal area in finding new places to live. It must be stressed that there is no compulsion for anyone to make use of this service. It is there if needed. For some the only contact with the relocation office will be the initial interview and the necessary paper work in processing claims for repayment of moving expenses. The purpose of the Report is provision of a feasible program for making adequate housing available for families and individuals who are displaced by the proposed project.

Mr. Maxson: Thank you Mr. Bergerson. Our next speaker will be R. K. Haymel, Deputy Fire Marshal.

Mayor Tollefson: Will you tell the audience how long you worked for the City government?

Mr. R. K. Haymel: Honorable Mayor, Members of the Council, Ladies & Gentlemen. I am R. K. Haymel, Deputy Fire Marshal, Tacoma Fire Department. I have been with the Fire Prevention Bureau since 1946, and with the Fire Department since 1940.

A survey of the Downtown Tacoma area was begun on March 20, 1963, and continued thru June 8, 1963. Inspection was made in stages as planned thru the Office of Urban Renewal.

122 buildings were inspected during this survey. Inspections and the following conclusions were made by a representative of the Fire Department Bureau of Fire Prevention, who evaluated the conformity of each building to regulations nationally recognized as good practice for the safeguarding of life and property from the hazards of fire. He also evaluated conditions hazardous to life and property resulting from the outbreak of fire and the serious spread of fire from building to building.

Standards used as a background for the evaluation of the project are contained in the fire ordinance of the City of Tacoma; the National Fire Protection Association's Building and Exits Code, 1959; the Building Code, which consists of the Uniform Building Code, with appendices adopted and published by the International Conference of Building Officials, 610 Broadway, Los Angeles, Calif., subject to amendments and additions to the Uniform Building Code as adopted by the City of Tacoma; the Fire Records of the Tacoma Fire Department, and data provided in nationally recognized safety standard publications and statistics.

The above noted survey resulted in the identification of several types of fire hazards which are clearly related to the problem of fire protection and fire prevention. A summary of the nature and extent of each type follows:

1. Buildings containing conditions conducive to the outbreak of fire. (Out of 122 buildings within the Project)

.....31 have evidence of poor housekeeping and improper storage of combustible debris and goods.

.....49 contain hazardous wiring, venting, chimneys, hoods, or duct work.

.....11 contain improper or not desirable occupancies for a downtown area (Fire Zone I) for example, Sale of Gasoline, Spray Painting.

2. In-adequate protection against the spread of fire.

Many of the buildings have inadequate provisions to prevent the spread of fire from one occupancy to another, and from one building to another.

of the 122 buildings -

.....63 have inadequate fire separations.

.....74 have stairwells, lightwells, skylights, elevator shafts, and other vertical shafts which are not of fire resistive construction. In addition, many of these have no enclosed stairwells.

.....23 are of construction not approved for Fire Zone I.

.....55 have no wet standpipes for fighting purposes.

.....21 have no dry standpipes for fire fighting purposes.

.....19 require the installation of automatic sprinkler system or other fire extinguishing equipment.

..... 8 have no fire alarm equipment or it is inadequate.

3. Inadequate egress facilities from buildings in event of fire. Many of the buildings do not have approved means for persons to escape in the event of fire.

of the 122 buildings -

- 48 have doors which swing in the wrong direction of travel which impairs egress, or have no automatic self closing devices, or have no fire doors or windows, or are not provided with panic hardware where required.
- 48 have fire escapes which are not fully accepted as usable either because of inadequate approaches to them, or because of their weakened condition.
- 40 have improper ramp or stair construction.

12 hotels are located within this project. None conforms in the strict interpretation of the Building Code requirements. All have one main stairway to the front of the building; the second means of egress is via the fire escapes. The escapes in general are in poor condition. Because of the lack of maintenance they are rusting and weakened. Thus they present a dubious means of exit, or a limited fire fighting facility for the fire department. Constant policing is necessary to maintain a not entirely acceptable condition in this instance.

Over a 12 year period, from 1951 to 1963, there have been 192 fire emergencies in the project area. 106 fires with loss, and 86 without loss, or nuisance runs, or those with minimal adjusted loss payments. Building fire losses total \$861,850.; contents losses total \$343,250.; total fire loss in this period \$1,205,100. One life was lost in a hotel fire in the center of the project area.

Renovation of these buildings on the exterior has an esthetic value. It will remove the fretwork, and decorative appendages from the structures which create inherent hazards from falling sections as a result of age, earthquake, or from fire destruction. Renovation of the interiors modernizes the occupancies appreciably; however, the structures remain substantially of wood frame construction. Such features will not relieve the inherent fire and exposure hazard, and changing the appearance of old structures will not make them conform with structural requirements for Fire Zone I or high value district.

In my opinion, the above described deficiencies constitute fire hazards, and are an existing danger to the public health and safety, in the project and adjacent areas.

Mr. Maxwell: Thank you Mr. Heynal. Dr. C. R. Fargher, Director of Health & Welfare will be our next speaker.

Dr. Fargher; Honorable Mayor, Members of the City Council, Ladies and Gentlemen:

I am Dr. C. R. Fargher, Director of the Tacoma-Pierce County Health Department, and have worked for the City of Tacoma for twenty years.

During the period of March through July of 1963, an inspection of the twelve (12) hotels in the New Tacoma Project Area was made by the Health Department. These inspections were made by Mr. L. C. Sharley and Mr. Harry Strickland of the Sanitation Division. The Minimum Housing Code of the City of Tacoma was used as the standard for the inspections.

This Code was first adopted on June 22, 1959 by the Tacoma City Council, after extensive work by City Departmental staffs and Citizens' Committees. It was revised by Ordinance No. 16864 adopted by the City Council on August 1, 1961.

This Code is modeled after the American Public Health Association Committee on Hygiene of Housing recommended code and the Uniform Housing Code of the International Conference of Building Officials. Both of these model codes are widely recognized as suitable minimum standards for healthful housing. These housing codes embody basic principles recognized by health authorities, as indicated in the "Basic Principles of Healthful Housing" developed by the Committee on Hygiene of Housing. These principles are as follows:

A. FUNDAMENTAL PHYSIOLOGICAL NEEDS

1. Maintenance of thermal environment which will avoid undue heat loss from the human body.
2. Maintenance of a thermal environment which will permit adequate heat loss from the human body.
3. Provision of an atmosphere of reasonable chemical purity.
4. Provision of adequate daylight illumination and avoidance of undue daylight glare.
5. Provision for admission of direct sunlight.
6. Provision of adequate artificial illumination and avoidance of glare.
7. Protection against excessive noise.
8. Provision of adequate space for exercise and for the play of children.

B. FUNDAMENTAL PSYCHOLOGICAL NEEDS

9. Provision of adequate privacy for the individual.
10. Provision of opportunities for normal family life.

11. Provision of opportunities for normal community life.
12. Provision of facilities which make possible the performance of the tasks of the household without undue physical and mental fatigue.
13. Provision of facilities for maintenance of cleanliness of the dwelling and of the person.
14. Provision of possibilities for aesthetic satisfaction in the home and its surroundings.
15. Concordance with prevailing social standings of the local community.

C. PROTECTION AGAINST CONTAGION

16. Provision of a water supply of safe, sanitary quality, available to the dwelling.
17. Protection of the water supply system against pollution within the dwelling.
18. Provision of toilet facilities of such a character as to minimize the danger of transmitting disease.
19. Protection against sewage contamination of the interior surface of the dwelling.
20. Avoidance of unsanitary conditions in the vicinity of the dwelling.
21. Exclusion from the dwelling of vermin which may play a part in the transmission of disease.
22. Provision of facilities for keeping milk and food undecomposed.
23. Provision of sufficient space in sleeping rooms to minimize the danger of contact infection.

D. PROTECTION AGAINST ACCIDENTS

24. Erection of the dwelling with such materials and methods of construction as to minimize danger of accidents due to collapse of any part of the structure.
25. Control of conditions likely to cause fires or to promote their spread.
26. Provision of adequate facilities for escape in case of fire.
27. Protection against danger of electrical shocks and burns.
28. Protection against gas poisoning.
29. Protection against falls and other mechanical injuries in the home.

30. Protection of the neighborhood against the hazards of automobile traffic.

The Minimum Housing Code standards embodying these widely recognized principles were carefully related to the observed conditions.

FINDINGS:

1. WALLS AND CEILINGS IN NEED OF REPAIR

Six (6) hotels out of the twelve (12) inspected require wall and ceiling repair.

For the most part, this repair work is needed in halls and bathrooms, and to a lesser extent in hotel rooms.

Increase in the degree of deterioration increases accident hazards and has an unfavorable effect upon the mental and emotional well-being of the occupants. Under modern conditions of American living, a sense of inferiority due to living in a substandard condition may often be a more serious health menace than an unsanitary condition associated with housing.

The interior walls and ceilings which have loose plaster or similar covering are a hazard to the safety of the occupant. Falling plaster may cause injury to the occupants of the dwelling.

Dilapidated walls and ceilings prevent proper cleaning and provide harborage for mice, rats, roaches, and other vermin.

Interior walls and ceilings which provide entrance of drafts and moisture make it difficult to heat the dwelling unit and maintain it at a proper thermal level.

2. HABITABLE ROOMS LACKING REQUIRED WINDOW AREA

In two (2) hotels there are eight (8) rooms that have no windows to the outside air. Seven (7) rooms were found in one hotel and one (1) in another.

The precise determination of the amount of daylight necessary for the preservation and protection of the public health is difficult. Bacteriological research proves that even those components of sunlight which pass through glass kill bacteria and fungi, which cause disease in man. For example, the median survival time for alpha hemolytic streptococcus under glass is 44 minutes in daylight as opposed to 26 hours in the dark. The tubercle bacillus and various other disease producing bacteria and fungi have markedly demonstrable sensitivity to light. The disease reduction potential of daylight as stated above is obvious. Public health authorities throughout the world have determined that it is essential that direct sunlight should enter dwellings occupied by persons who are house-bound, especially in winter. Sunlight, particularly through its ultra-violet components, provides valuable physiological stimulation. In order to avoid eyestrain and facilitate cleanliness, as much natural light as practicable should be provided. There must also be enough light to prevent accidental death or injury from falls and striking sharp objects.

The public health aims of ventilation are several. Changes of air in a dwelling reduce bacterial concentration in the air and remove and dilute noxious, flammable and explosive gases, water vapor, and odor. Many infectious diseases, especially those of the respiratory tract, are spread by airborne bacteria. Reduction of airborne infections is an important health measure as is prevention of deaths and injuries from fire and explosion.

Ventilation also contributes to the maintenance of a thermal environment which will permit adequate heat loss from the body. It is particularly important that cool, moving air be made available in sleeping rooms, since the impact of cool moving air is of great value in promoting healthful sleep.

Controlled studies have shown that odors given off from the body exert a definitely harmful influence upon appetite and therefore upon health.

It is also important to limit water vapor in the air in that it affects comfort and reduces moisture and condensation, which deteriorates interior surfaces and hastens the spoilage of food. A windowless room is widely recognized as one of the most fundamental defects in housing.

3. SUBMERGED WATER INLETS IN BATHTUBS

In one (1) hotel there were twelve (12) bathtubs with submerged inlets.

These submerged inlets constitute a potential health hazard in that they are a cross-connection with the public water supply. If the normal water pressure should drop because of excess use in adjoining areas (for example, fighting fires) it would be possible for the water in the bathtubs to back-siphon into and contaminate the potable water supply in the city water system.

4. APPROVED PROTECTIVE DEVICES UNDER HOT PLATES

Six (6) rooms in two (2) hotels were found to be using hot plates which were not placed on approved protective devices.

This constitutes a definite fire hazard to the persons occupying the rooms.

5. HOUSEKEEPING INADEQUATE AND NEEDS IMPROVING

In two (2) hotels the housekeeping was found to be inadequate. This was noticed chiefly in rooms rented by the day and in hallways.

The maintenance of areas shared by the occupants of the hotel, as well as the maintenance of rooms that are to be rented, has long been an item this Division stresses. The management of the hotels has been informed that from a public health standpoint, it is very important that these areas be kept clean. Improper cleaning of hallways tends to point up lack of maintenance in other areas. Dirt and refuse in halls and hotel rooms has been the forerunner of vermin

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is constantly stressed to owners and managers of hotels.

The cause of inadequate housekeeping, as stated by the operators, is the lack of revenue from the hotel operation to do the required housekeeping.

SUMMARY

There are twelve (12) hotels in the area of which none (9) have violations of the Minimum Housing Code.

The violations are as follows:

1. Walls and ceilings need repair in six (6) hotels, chiefly the halls and bathrooms. In two (2) hotels, the walls and ceilings of rooms rented by the day need repair.
2. Lack of required window area. Eight (8) rooms in two (2) hotels are inside rooms and have no windows.
3. Submerged inlets were found in twelve (12) bathtubs in one (1) hotel.
4. Approved protective device under hot plates are lacking in six (6) rooms in two (2) hotels.
5. Housekeeping in two (2) hotels is inadequate, chiefly in halls and rooms rented by the day.

CONCLUSION

1. The violations include walls and ceilings needing repair, rooms lacking required windows, submerged inlets at bathtubs, lack of protective devices under hot plates, and the lack of adequate maintenance and housekeeping.
2. These findings constitute significant unhealthful living conditions in the New Tacoma Project Area.

C. R. Fargher

C. R. Fargher, M. D.
Director of Health

Mr. Maxwell: Thank you Dr. Fargher. Mr. Lester Gillis, Chief, Building Division presents building hazards in the New Tacoma Project area.

Honorable Mayor, Members of the Council, Ladies and Gentlemen:

I am Lester J. Gillis, Chief Building Division for the City of Tacoma. I have worked for the City since April 24, 1950, and served as Chief of Buildings Division since October 15, 1958. I am a registered Professional Engineer.

The buildings in the area designated as the New Tacoma Urban Renewal Project were inspected by members of a team made up of personnel of the various City Departments. Mr. Walter Will represented the Buildings Division on the inspection team. He made note of the existing conditions and violations with respect to Chapter 2.02 (Building Code), Chapter 2.06 (Plumbing Code), and Chapter 13.06 (Zoning Code) of the Official Code of the City of Tacoma. Mr. Walter Johnston represented the Building Division and made note of the existing conditions and violations with respect to Chapter 5.46 (Minimum Housing Code) of the Official Code of the City of Tacoma.

A detailed report form was completed on each structure, wherein the building was described in general, noting the type and condition of construction, location in respect to adjacent structures, and use of the building. In more detail, items such as foundations, structural members, fire separations, corridors, exits, plumbing facilities and fixtures, chimney construction, and accessory buildings were described or noted, particularly where they were of a lower quality or standard than required by the existing codes. Each report was reviewed, and each building was given a rating.

Standards used in this survey are as follows:

1. THE BUILDING CODE

This code consists of the Uniform Building Code, Volumes I and III with appendices adopted and published by the International Conference of Building Officials, 610 Broadway, Los Angeles, California, subject to the amendments and additions of the Uniform Building Code as adopted by the City of Tacoma. The Building Code is in use in more than 1,000 jurisdictions in the United States as well as many areas in Canada and the Japanese Empire. The purpose of this Code is to provide minimum standards to safeguard life or limb, health, property, and public welfare by regulating and controlling the design, construction, quality of materials, use and occupancy, location and maintenance of all buildings and structures within the City and certain equipment specifically regulated therein. The provisions of this Code apply to the construction, alteration, moving, demolition, repair, and use of any building or structure within the City, except work located primarily in a public way, public utility towers and poles, mechanical equipment not specifically regulated in this code, and hydraulic flood control structures.

2. THE PLUMBING CODE

This code consists of the 1961 edition, as revised, of the "Western Plumbing Officials Uniform Plumbing Code", with appendices, adopted and published by the Western Plumbing Officials Association subject to the amendments and additions to the Uniform Plumbing Code as adopted by the City Council. The Plumbing Code is in general usage in the Western part of the United States and Canada. The purpose of this Code is to provide minimum standards for the protection of the public health and safety by regulating and controlling the design, construction, quality of materials, repairs, relocation, or reconstruction of plumbing and drainage systems within the City. The provisions of this Code apply to all new construction, relocated buildings, and to any alterations, repairs or reconstruction, except as provided for otherwise in this code.

3. THE ZONING ORDINANCE OF THE CITY OF TACOMA

The purpose of this ordinance is to regulate the location and use of buildings and the use of land within the City of Tacoma; to limit the height of buildings; to prescribe building areas and lines, and the size of yards and other open spaces, and for these purposes to divide the City into districts.

4. THE MINIMUM HOUSING CODE OF THE CITY OF TACOMA

This code is modeled after the American Public Health Association Committee on Hygiene of Housing recommended code and the Uniform Housing Code of the International Conference of Building Officials. Both of these model codes are widely recognized as suitable minimum standards for healthful housing. These housing codes embody basic principles recognized by health authorities, as indicated in the "Basic Principles of Healthful Housing" developed by the Committee on Hygiene of Housing.

5. THE ELECTRICAL CODE OF THE CITY OF TACOMA

This code consists of the National Electrical Code, 1962 edition, adopted and published by the American Standards Association, subject to amendments and additions of said code as adopted by the City of Tacoma. This code has long been recognized by cities throughout the nation as the minimum standard designed for the practical safeguarding of persons, and of buildings and their contents from electrical hazards.

The protection of life, health, property, and the welfare of the public has long been considered the duty of the local governing body and is the basic premise upon which the foregoing codes are based. Tremendous technological advances made in every field of endeavor during the last 50 years, have caused cities to change more in that period than in all their previous histories. Standards of living have improved, and conditions which were acceptable or even desirable in 1900 are no longer tenable.

The contributions of national technical societies, materials dealers and manufacturers, scientists, engineers, and architects have made keeping abreast of current building practices relatively easy. The City's various codes all reflect the efforts of these individuals and groups and can be considered modern and up-to-date in all respects.

The fact that a building may have been constructed in compliance with the laws or ordinances in effect at the time of construction has not been considered as an excuse for substandard conditions as determined in this survey. The protection of life, health, and property, and the welfare of the public indicates no line of demarcation between new and existing buildings. Thus, items that would not be tolerated in our new construction codes have been evaluated as substandard and below the minimum standard of the City of Tacoma.

Requirements Based on Location in Fire Zones:

Chapter 2.02 of the Official Code of the City of Tacoma (the Building Code) declares the entire city to be established a fire district consisting of Fire Zones One, Two, and Three. A map is attached as Appendix D to this report, showing the boundaries of these Fire Zones.

The basic purpose of these Fire Zones is to protect closely built commercial districts of the City against the hazards of fire spreading from building to building, by supplementing restrictions on the construction permitted within such zones. Fire Zone Number 1 is the most restrictive zone and protects the Principal Business District. Fire Zone Number 2 is less restrictive and protects the area immediately adjacent to the Principal Business District. The balance of the City is in Fire Zone Number 3 and permits any building or structure complying with the requirements of the Building Code. The Building Code requirements for the Fire Zones are contained in Appendix C.

The New Tacoma Project falls entirely within Fire Zone Number 1. This area was established as Fire Zone Number 1 as early as 1908 and has been continued since that time.

Wood frame (Type V) buildings are not allowed in Fire Zone Number 1. In general, the types of buildings permitted to be erected, constructed, or moved to this fire zone are:

- (a) Type I and Type II which are the reinforced concrete type.
- (b) Type III - heavy timber which has masonry exterior walls and massive timber structural members in the interior.
- (c) Type III - One Hour Buildings which have masonry exterior walls and conventional framing on the interior protected throughout with a material accepted as having one-hour fire resistance by standards set forth by the Uniform Building Code.
- (d) Type IV - One-hour construction which is a metal or noncombustible structure whose structural members are protected with a one-hour fire resistive material.

Any building located in Fire Zone Number 1 is required to have exterior walls of at least two-hour fire resistive construction if it is built to within 20 feet or less of the side property lines. However, if the occupancy of the building is of a hazardous nature, such as a paint shop, or sprayroom, or if it is a Type III building, then the exterior walls must be of four-hour resistive construction. Openings in side walls are not permitted if the wall is located less than five feet from the property line. If a wall is more than five feet and less than 20 feet from the property line then it must be protected with doors and windows that have a 45-minute fire resistive rating, such as glass reinforced with wire mesh and metal-clad doors.

The separation between the various occupancies in a given building has minimum fire resistive standards. For example, a one-hour fire separation is required between an apartment occupancy and a restaurant or office building in order to give the occupants of the apartment time to evacuate the building in case there is a fire in the restaurant. Also, corridors and all doors leading into the corridors are required to be fire resistant. Dead-end corridors are not permitted because of possible confusion to occupants evacuating the building during an emergency. Minimum widths of stairways and exits are required for any building dependent on the occupant load to allow the building to be quickly and safely vacated in event of an emergency. Also, usable space under the first floor of a building must be separated from the upper floor by at least a one-hour fire resistive separation.

Roofing used in a Number 1 Fire Zone is required to be a "fire retardant covering."

Requirements for Lateral Bracing:

Chapter 2.02 of the Official Code of the City of Tacoma (the Building Code) contains requirements that buildings be designed and constructed to resist stresses produced from lateral forces. These lateral force requirements are intended to make buildings earthquake resistive. The provisions of this section apply to the buildings as a unit and also to all parts thereof, including the structural frame or walls, floor and roof systems, and other structural features.

Design criteria is based on Zone 2 of the U.S. Coast and Geodetic Survey's Seismic Probability Map of the United States as approved by the International Conference of Building Officials and included in the 1958 Uniform Building Code. Lateral force requirements are contained in Appendix C.

For the purpose of grading and evaluating the conditions of buildings and structures in the New Tacoma Project, all structures have been classified into one of four general grades as follows:

GRADE I: Buildings or structures that have been constructed or remodeled to meet the general requirements of existing codes.

GRADE II: Those buildings or structures that contain substandard items BUT which meet code requirements as to basic types of construction, use or occupancy, requirements for Fire Zone I and lateral force resistance. These buildings could easily be remodeled or corrected to eliminate major substandard features.

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GRADE III: Those buildings or structures that require major repairs or remodeling in all or in part to meet minimum standards of City codes. Included in this group are all structures that do not meet lateral force requirements which, if made to comply, would require extensive structural bracing in all or in part as well as remodeling to meet the other requirements of City codes.

GRADE IV: Buildings or structures that are not of the basic type of construction permitted by the codes. Included in this group are all structures of Type V wood frame construction which, if made to comply with the requirements of the fire zone, would have to replace all exterior walls with fire resistive incombustible construction.

Grade I	8
Grade II	3
Grade III	97
Grade IV.	14

For the purpose of grading and evaluating the area as a whole, each building or structure was rated in respect to several basic items, based upon a deficiency point rating system. Under this system, five (5) deficiency points were established for each building of Type V construction, and for those lacking lateral bracing. One (1) deficiency point was given for each of the six other basic items (3 through 8) noted below:

1. Building of Type V wood frame construction not permitted in Fire Zone Number 1.
2. Building does not provide resistance to lateral forces.
3. Building not one-hour fire resistive.
4. Building has openings creating fire exposure hazard to adjacent property.
5. Building provides unsafe means of exit.
6. Electrical wiring below standards of City of Tacoma Electrical Code.
7. Plumbing contains indirect cross-connections between City water supply and sewerage system.
8. Building lacks full requirements of plumbing code.

The results of the application of this grading system to the New Tacoma Project area are summarized as follows:

	(out of 122)
Buildings of Type V construction	11
Lacking Lateral Force.	99
Not one-hour construction.	98
Exposure Hazard.	32
Unsafe exits.	83
Wiring not to code	57
Cross-connections.	27
Lacks Plumbing requirements.	48

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(continued from preceding page)

<u>Deficiencies</u>	<u>No. of Bldgs.</u>
0	6
1	1
2	"
3	3
4	"
5	4
6	12
7	25
8	24
9	24
10	17
11	4
12	"
13	2
Total	122

CONCLUSIONS:

This is a densely populated area. It includes the bulk of the Central Business District, which is also the high value district. Public health, public safety and fire hazards are prevalent throughout the area. Of the 122 buildings in the area 99 would be expected to suffer damage or collapse in a major earthquake; 98 would not resist a fire for one hour; 83 do not provide safe egress in the event of an emergency. Only 10 buildings do not contain serious code deficiencies. The majority of the buildings are more than 50 years old and have suffered from exposure and deterioration due to weather and earthquake.

These conditions present a serious and continuing threat to the health, safety and wellbeing of the citizens of Tacoma.


Lester J. Gillis, Chief
Buildings Division

Mr. Maxwell: Thank you Mr. Gillis. The next speaker is Mr. Robert Maffin, Director of Urban Renewal who will cover the plan and its feasibility with slide presentation.

HONORABLE MAYOR, MEMBERS OF THE CITY COUNCIL, LADIES AND GENTLEMEN:

I am Robert Maffin, Director of Urban Renewal for the City of Tacoma. My purpose here is to provide certain information relating to the Urban Renewal Plan for the New Tacoma Project, and to the feasibility of achieving the Plan.

With the City Council's permission, I would like to relate certain conditions about Downtown Tacoma before discussing the Urban Renewal Plan now before you.

What has happened to Downtown Tacoma is not unique--it is happening in every city in the world with a population of rising expectations and mobility. Historical patterns of development are under heavy strain to serve this kind of population. The critical points in the pattern, like Downtown, are under the heaviest strain. Physical decay, lack of access, outmoded arrangements at the City Center, both urges urban sprawl and also is the result of rising expectations and mobility. The population no longer has to be satisfied with overcrowding, obsolete and deteriorated buildings, lack of space, convenience and amenity. It can move, spread out.

Young though the cities of this country are, they are the first to feel this strain. First, because we built our cities quickly, taking advantage of our enormous resources, capitalizing on opportunity. Second, because our people first achieved a very high level of mobility and a tradition of rising expectations. Now these young cities, like Tacoma, must face these problems of strain and begin to equip themselves to serve the present and future citizens. It is this problem which is before us today. How shall the problem be met?

There are indeed several approaches which may be taken. Some would say, "Abandon the Center; it cannot be made to work. Let the urban areas sprawl, developing small clusters of commerce and industry surrounded by housing." At first blush this appears to be a reasonable approach. Let us look at the consequences. A population of rising expectations has definite demands for public service. They do not intend to build good housing and fine, small centers of commerce and industry without equally good utility systems, roads, schools, parks, and public service. Today, in northern New Jersey, the cost is over \$18,000 to provide basic public services to each new home. By 1970, each household in the New York area will have \$7,500 invested in roads alone. These people require and demand these services, while at the same time they want lower taxes and more of their income for "their" disposal.

The focus on redeveloping the City Center is not at odds with urban sprawl, nor with rising expectations. It is another approach to be examined. Let us look at the reasons for a city. The city is born of the need to exchange the fruits of each man's labor; to provide for our defense and self-protection; to carry on social intercourse; and to continue our culture. To do all of these things requires a focal point where the maximum of exchange and intercourse can take place with greatest convenience and minimum cost. For all the years past, and within the foreseeable future, this central function needs to continue. The core of the Central City provides this function. So it is not really a matter of Central City vs. Urban Sprawl. It is

really a matter of utilizing to best advantage the limited amount of space and resources we have. Sprawl will continue simply by the pressure of numbers. The approach then is to make the city serve its purpose, make the central function accessible, remove the physical decay, provide for adequate space, remove overcrowding, and introduce the amenities which the population of rising expectations requires. The drab, the deteriorated, the congested will not satisfy this population.

Since the problem of the city will not go away but requires the imagination and application of all of us, an approach needs to be presented. The approach here presented is the use of Federally assisted urban renewal. Why is this approach suggested? First, this Plan is not the first approach attempted to deal with these problems.

For several years attempts have been made through private initiative to alter and refurbish downtown. Unsuccessful attempts have been made to provide parking space for our mobile population. Strenuous efforts at attracting major new development have met with failure. Redevelopment by local capital has succeeded modestly, though not to the extent found in other cities of Tacoma's size. Some modernization has succeeded though still Downtown Tacoma is drab and deteriorated. And while all these successful and unsuccessful attempts have been made, Downtown has continued on its path to decay.

Second, the public has attempted new investment--underground power, new water mains, and the escalades. Some of these improvements should be charged to plant replacement and modernization-- others to new development, designed to accomodate the increased demands for a convenient downtown. These public improvements can only provide the minimum environment for change. Apparently, they were not enough to stimulate a new flow of private initiative.

Third, the City, through its codes and ordinances, has caused some deterioration to be removed. But this approach by itself cannot deal with all the problems. These codes, for the most part, are not retroactive; they are not legally equipped to deal with the extensive decay in downtown. What can be dealt with by the Dangerous Building Code is a small part of the extensive decay and deterioration in Downtown.

Each of these approaches has been tried; each has been, at best, only partially successful. All are needed but in a carefully prepared program which will bring them together in a joint plan of action. Any such plan will be expensive; it will require considerable capital investment both public and private. But, as noted earlier, when compared to the public costs involved to serve a sprawling population, the long-term costs will be small indeed to the alternative. For even if the alternative of sprawl is followed the redevelopment of the City Center must take place. In the course of urban economics a city must have a center and it must function efficiently.

What of these costs? What are they? How can they be met? The City Council and the public are generally aware of the costs involved in an urban renewal project: Planning must be done; property purchased and cleared; new improvements installed; interest paid; and project administration financed. In the New Tacoma Project the

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estimated expenses, income and net costs are as follows:

<u>Total Expenses Incurred:</u>	\$9,208,923
GNRP Survey and Planning, Administration and overhead	\$1,369,597
Purchase of land & improvements	4,774,091
Public Improvement:	1,987,470
Relocation.	411,775
Site Clearance.	665,990
 <u>Income:</u>	 \$2,698,692
Sales.	\$1,969,212
Property Management.	247,705
Investments.	70,000
Relocation Grant	411,775
 <u>Net Cost:</u>	 \$6,510,231
 Federal Grants - 2/3 plus Relocation	 \$4,853,979
Local 1/3 share	\$2,170,077
 To be provided by escalades.	 \$721,070
Broadway Mall	353,171
Utilities (underground power, sewers, street lighting, etc.)	316,044
Fire Stations	24,632
Elderly Housing	191,865
Tax Credits	156,000
Staff Services and Cash Contribution	157,492
Donations	250,000

In any project involving such long-range cost forecasting, it should be recognized that at best the costs are only reasonable estimates. The most competent sources have been used to make these estimates: Independent appraisers for land values, both for buying and selling; engineers for improvements and property rehabilitation; landscape architects for the Mall; staff for administration and overhead. These competent, conservative estimates still reflect a large cost, both public and private, a cost so large that it is not within the financial resources of the city alone to assume. Federal assistance for loans and a Capital and Relocation Grant is required. Without that assistance the Urban Renewal Plan cannot be implemented. For the City cannot use General Obligation Bonds, except within the 15-mill limitation; nor can it use tax allocation bonds available in other states; nor are there funds from a special levy available; nor is the General Fund capable of this investment. All that can be utilized are the Capital Improvements benefiting this area, and the incidental services of existing staff. Federal assistance is required.

Indeed, private assistance is required also. First, a donation has been pledged to the City by private citizens amounting to about \$250,000. Benefited property owners will pay for the principal costs of a Broadway Mall. Without these contributions, the Plan would not be financially feasible.

For all of these costs, what are we getting? The end result of these expenditures will be an accomplished New Tacoma Project Urban Renewal Plan. It is this Urban Renewal Plan that is here being considered. It is this Plan which represents an approach to the problems of Tacoma--problems which, it has been noted, are much the same as those in cities across the world.

The Urban Renewal Plan proposes a framework for a joint public-private venture--a concerted, premeditated Plan to rid this area of physical decay and congestion, and to rebuild the area to serve the present and future needs of our population. It will create a place of space, convenience and amenity which will have long life and function to efficiently meet the demands of a people with rising expectations. This is what is proposed:

First Slide: Identified project boundaries.

Second Slide: Heavy red - heart of New Tacoma Project, 9th and 13th is the retail core.

Green areas - indicated proposed open spaces and links between the housing, the office spaces and the areas around the downtown.

w Yellos - Proposed locations of parking which will come about or is already in place. This is either ground-level or structural parking.

Third Slide: Detail of the area along Broadway and the heart of the project.

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Orange area - trees, shrubs, canopies along Broadway create a pedestrian mall through which some service and vehicular traffic will pass.

Yellow - open spaces. Twelfth & Broadway, 11th & Broadway, 9th & Broadway by the Broadway Theatre Building. The area to the south of 13th is proposed to be entirely cleared. Only a schematic arrangement in this area; it can be developed in a variety of ways. It will have considerable amount of open space that will bring some newness and variety to the downtown area.

Fourth and
Fifth Slide:

Start at north end of area, come down the Mall, the staggered white elements along the store frontages are canopies to give covered areas for people to walk and shop in. At

At 11th and Broadway, approximately where Woolworth's is, there will be an overpass which will permit people to walk from one side to another without crossing and fighting the street level traffic, along to a plaza which begins at 11th & Broadway. You walk down the Mall, coming to where the escalades are at approximately 12th & Broadway, creating some additional space. The orange lines linking some of the buildings together--these are proposed private development which will complement the public improvements in the area. Again there will be another overpassing at 13th to tie in the Broadway level in the area across 13th, eliminating the conflict of people and vehicles to give a free access and flow. Then you move into the area south of 13th and again the schematic arrangement indicates what is possible. Here we're talking about such things as a supermarket, a products display area, parking, a restaurant facility, perhaps an archery or bowling establishment, some housing (transient housing or motel). This is the kind of thing that this financing plan will bring about.

What is proposed by this Plan is a center of commerce befitting Tacoma. Any other proposed development would not meet the General Plan of the City. Though some new housing is proposed, it is clearly necessary to the proper development of Tacoma that this area be predominantly nonresidential. In this center of commerce, it is appropriate that we encourage visitors to stay. Here at the center of our city is where the strongest image of Tacoma is rendered. It should be an image of quality. It should attract visitors. The Plan permits new transient housing. The Market Consultant reports a need for new transient housing (about 470 new units by 1970). It is appropriate to encourage this type of development. We can further enhance the image of quality by creating space and places where children and adults alike can rest or move about in an atmosphere of recreation and freedom. The plazas and the mall provide such places of rest and recreation in the midst of commerce. These places are necessary and adequate to serve all citizens who work, live, shop, or simply visit the area.

Only the kind of environment shown can fully satisfy our needs. This Plan represents careful thought by technicians, experts, private individuals and groups and public bodies like the Planning Commission. Hours of labor have conceived it. Continuous meetings and analysis have brought forth this Plan. It cannot be said to be the only approach, but it does represent the best thinking of all those aware of the problems, the solutions available, and the resources for accomplishment.

Careful though the Plan has been drawn, it has (like other large ventures) inherent risks. Any plan which relies on the future for fulfillment must necessarily be risk-laden. The New Tacoma Plan involves an almost infinite number of decisions, public and private, over a long period of time. Major changes from any source will change the outcome of the Plan. Should the opportunity of change and new investment fail to take hold, then private capital will not consume the land available for redevelopment. If those who can are later unable or unwilling to risk new investment in their properties, then the property must be acquired in order to assure long life, health, and safety in the area. Additional purchase of land increases costs, makes more land available for redevelopment; both instances, substantially affect feasibility and increase projects costs. Unexpected changes in costs or the local economy can adversely affect the Project.

This Project has other peculiar risks, too. These risks, however, can be resolved before it is finally decided to launch upon this Plan. The risks involve financial commitments. Firm and final commitments must be available on the cash donation of \$250,000; on the Local Improvement District for the Broadway Mall; on the public improvement costs to be incurred for underground power; for water, sewer and street lighting; and on housing for the elderly, before the City Council signs a contract with the Federal Government for Loan and Grant assistance.

To conclude these comments, I would like to summarize what has been said. You have heard the testimony of experts on the legal basis for this Project. It has been found in conformance with the General Plan. Evidence of extensive decay and deterioration has been presented which establishes the conditions in the area. You have heard facts about the feasibility of relocation and the need for action in Downtown Tacoma. The financial plan for the Project has been outlined and, with Federal assistance, asserted to be feasible and workable. The Plan provides open and recreational space sufficient to meet the needs of those served by the area. Transient housing and other commercial development is found to be needed and in conformance with the General Plan for the community. All of this evidence is necessary to your deliberations on this Urban Renewal Plan.

The Urban Renewal Plan, as here presented, has been prepared and reviewed by many people. It provides the framework for a joint venture of public and private initiative in approaching the problems of Downtown. The framework provides for almost full redevelopment and rehabilitation by private enterprise. The Plan has grown from the agonizing failure of other and earlier approaches to Downtown's problems. It is the result of distilling many other alternatives-- a delayed project, a revised project, a project of private initiative alone.

Even with its risks, this Plan is more feasible; it is addressed to the problems of the City Center; it combines other techniques into a comprehensive plan of action; it has less risks than any other approach.

The essential ingredient of this Plan is the willingness to face the problems of urban change and shape the City into an environment which serves the rising expectations of the people. In truth, to rebuild a "City of Quality."

* * *

August 27, 1963

PUBLIC HEARING

NEW TACOMA URBAN RENEWAL PROJECT PLAN

Honorable Mayor, Members of the City Council, Ladies and Gentlemen:

I am Robert Maffin, Director of Urban Renewal for the City of Tacoma. Although most of the remarks appropriate for me to make were included in a prepared statement previously given, I would like to submit a few additional remarks regarding the opportunity for private rehabilitation and redevelopment afforded by the proposed Plan.

The New Tacoma Project contains approximately 44 acres of land. Of this total acreage approximately 23 acres are in streets, alleys and other public rights-of-way. The remaining 21 acres are in private development.

The Plan for the Project proposes the acquisition and clearance of 14 of approximately 21 acres of present private development, with the remaining 7 acres proposed for private rehabilitation. The 14 acres to be cleared will be redeveloped almost entirely by private enterprise. With the vacation of certain air rights, there will be additional land available for redevelopment. About 93% of all land available for redevelopment and rehabilitation will be improved by private initiative. The Plan is designed to encourage private action by insuring any investment of the long-run stability and vitality of the area.

It is my opinion that the Plan, in substance and procedure, affords maximum opportunity, consistent with the sound needs of the City as a whole, for the rehabilitation and redevelopment of the Project Area by private enterprise.

John Maxwell: Your Honor, Council Members, that concludes the presentation.

Mayor Tollefson: Thank you, Mr. Maxwell, and those of you who have presented this matter to the Council and to the audience. I know there must be some questions which members of the Council would like to ask, and I know there will be questions that the audience would like to ask. First, we will defer to the Council. Does any Council Member at this time have any questions with regard to any of the reports?

Councilman Haley: Mr. Mayor, I'd like to examine with Mr. Maffin one point here that he brought out in a little more detail, having to do with two elements on the local cash situation. One is the firmness of the commitment of the \$250,000 by private donation. Is this a firm commitment at this time, Mr. Maffin?

Robert Maffin: It is my understanding, Mr. Haley, and I have not been involved in the preparation of the solicitation of these pledges nor has any member of the staff. It is my understanding that these pledges are, in many cases, conditioned upon an accepted, overall plan as approved by the Board of the Central Association. Many of those who have signed these pledges have indicated their willingness to make the pledges if the Board of the Central Association finds the overall feasibility to be there. They are conditional pledges at this moment, yes.

Councilman Haley: What about the attitude towards the Broadway Mall on the part of those who will be participating in the Local Improvement District? Do you have any further information as to their general attitude, or their enthusiasm or lack of?

Robert Maffin: I think at this point the Broadway Mall has mixed reactions in the downtown community. I'd like to comment just a moment further on this, if I may, Mr. Haley, to elaborate. Both the \$250,000 pledge of cash and the participation in the Broadway Mall are materially affected by the feasibility of rehabilitating the properties along Broadway. It is my understanding that several of these commitments, and indeed the enthusiasm for the Mall, will be substantially affected if the feasibility of rehabilitation, all things considered, is not there. So they're wrapped up with the feasibility of rehabilitation.

Councilman Haley: Do I understand from your comments then that this whole project could be torpedoed by the refusal or by the inadequate participation, either in the case of the cash donation, or in the case of the Broadway Mall? Would this necessarily mean that we would have to abandon this whole approach to this whole project? Is this what I understand?

Robert Maffin: The project plan as it now stands requires these two commitments of funds. If those two commitments of funds are not forthcoming, then some substantial revision or delay in this project will have to be made.

Councilman Finnigan: Mr. Mayor, I wanted to ask Mr. Maffin roughly what the time element would be in the full completion of the project.

Robert Maffin: For three reasons, Mr. Finnigan, I think we should plan on a project execution period of from five to ten years, en toto. This does not mean that substantial improvements in the downtown could not be made rather quickly, but because of the relative slowness of the Tacoma economy, it seems only prudent that adequate time be planned for the disposal of all the land to be cleared. It also seems prudent from the standpoint of the relocation of businesses that may be affected, that adequate time be taken to phase their relocation. The major factor, it seems to me, in the feasibility of rehabilitation is the length of time over which it can be undertaken. If that is a reasonable period of time then the feasibility is thereby increased. So I would say somewhere between five and ten years. That doesn't mean, as I have said, that major improvements could not be made before then. But we're talking about completing the project, is that correct?

Councilman Finnigan: Major improvements such as what?

Robert Maffin: Such as facilities--space for offstreet parking, the Broadway Mall, and substantial clearance in the area.

Councilman Finnigan: You mean this could be done soon? The Broadway Mall could be done in one phase, say from 9th to 11th, and then from 11th to 13th. That could be done in this method, is this what you're referring to?

Robert Maffin: Yes, whether it's phasing the Broadway Mall in that manner or some other manner, this could be phased. Phased according to the amount of traffic would flow through it. Many people are concerned that the Broadway Mall would be completely closed to vehicular traffic until there is adequate and customary use of additional offstreet parking. These two things would have to be phased. Some of the areas may not need to be cleared right away in order to accomodate redevelopment so that these businesses affected have new sites to move to. This is the kind of phasing I'm talking about.

Councilman Finnigan: One other question I wanted to find out about. Your naturally increased staff, plus the cost of rearranging the street pattern, are those costs included in your total project cost which you stated.

Robert Maffin: Yes, Sir. The cost for making any adjustments to the traffic circulation plan are included.

Councilman Finnigan: Within this particular zone?

Robert Maffin: Right. In the project area.

Councilman Finnigan: Then the separate merchants, most of them in this particular area in question, have indicated a strong desire to stay within this particular zone and to enlarge or improve their own facilities, along with the owners of the property, etc?

Robert Maffin: You're speaking of the retailers now, not the property owners?

Councilman Finnigan: Retailers mainly.

Robert Maffin: Most of them have indicated an inclination to stay in the project area. There are some who, for one circumstance or another, who are in the project area would like to see their

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elsewhere in the community, light manufacturing concerns, et cetera. But the major retail facilities, for the most part, have indicated a willingness to stay in the project area, yes.

Councilman Haley: What about the building owners? They are going to have to bear the substantial cost in the upgrading of the property according to this report. What is the attitude generally of the property owners--can you tell us?

Robert Maffin: Well, I can tell you what I know, and that isn't too much.

Councilman Haley: Well, we can't ask for anything more.

Robert Maffin: I think that the property owners have generally indicated that. . .well, let me rephrase it. Some of them have indicated that the plan as it stands, including the seismic resistance requirements--the earthquake requirements--are acceptable, and they are willing to go ahead with the plan now. Others have said that there is an economic question in their minds whether it's worth the additional investment to refurbish the building, or whether the economics are such that they can expect a long-term return on that investment, or whether they would be better off to dispose of the property, or whether they would be better off to demolish and rebuild on the same site. In other words, these people--and the majority of the property owners are in this category--do not really know for certain whether it's feasible in their minds or not, and then there are some who have said flatly that it is not feasible.

Councilman Cvitanich: Getting back to September 6, 1960, Mr. Buehler made the statement to this Council that provision of additional downtown parking facilities is a prerequisite to pedestrian mall development; that approximately 98 metered curb spaces would be lost with conversion of Broadway to a pedestrian mall, and traffic and buses would have to be rerouted down Commerce Street. Now that's a loss of 98 meters there, plus the additional meter space on Commerce Street. Now I have two questions: One, where would we make up the deficit and where do you plan to put these additional meters? And secondly, when the City acquires the property, will that vacant space be used as parking facilities in competition to the other established parking facilities in the community?

Robert Maffin: Question #1, where would these meters be replaced in the community? The meters or the revenue, or both?

Councilman Cvitanich: Both.

Robert Maffin: This question, Mr. Cvitanich, as to the matter of re-location of the meters--there has been no consideration for the relocation of those 120 meters, or 98, whatever it is, within the project area. Now they may be located elsewhere in the community. As to the loss in revenue, the whole intention of this plan is to have a two-fold effect, among others. Number one, to increase the amount of sales and retail activity in the downtown area, and hence in all likelihood, increase the revenue from the B&O taxes, and certainly the plan when materialized will bring additional property tax revenue by virtue of the new development, and the rehabilitation that's going into the area. Both of these sources of income will far exceed any income loss from parking meters removal.

Now, there was another question, wasn't there? Are the areas in question to be in competition with existing parking facilities? Generally, yes. The Real Estate Research Corporation, in conjunction with the Central Association, earlier this summer conducted a shopper attitude survey, in which they found that over 50% of the people who did business in downtown, cited parking as the number one deficiency in downtown. Now I have a photograph, I don't have it here, which shows that there are in the neighborhood of 5,000 parking spaces in downtown, either on the surface or in structures. Our Traffic Consultant advises us that "parking we have, a parking solution we do not have." The parking space is there, in some cases it's obsolete, in some cases it's inaccessible to the modern shopper, or inconvenient to the modern shopper; in some cases it's located in the wrong spot. To the extent that these spaces will be added to in the amount of about 1,000 parking spaces, they will provide competition for existing parking facilities.

Councilman Herrmann: As a matter of practical application, Mr. Maffin, if the Council decides to go ahead, with this project, and a property owner has to meet the seismic requirements but really can't get this out of his investment, he can't ask more rent, it doesn't increase the value of his property, it doesn't make the merchandising any better-- it's just a kind of a nuisance requirement-- but if we decide to go ahead with this project, and there is a property owner who resists this and he's confronted with the alternative of what? Either spending thousands of dollars in this requirement, or of having the property condemned--what is the alternative?

Robert Maffin: The Urban Renewal Plan, Dr. Herrmann, calls for executing an Owner Participation Agreement with each of these property owners. If the Owner Participation Agreement, which includes these requirements for repairs, is not executed, then the plan provides that such interest in the property will be acquired as are necessary to bring it into conformance with the plan. If the Owner Participation Agreement is executed and later is not fulfilled, a breach of contract is involved. Basically, the decision would be to see that that property is brought into the standards of health and safety as set forth in the plan. If it is not brought into conformance with those standards, then it must be so brought, by some means. If that owner is unwilling to do it, then the acquisition of property would probably be the recourse.

Councilman Murtland: Mr. Maffin, are there any of the major buildings in this area that presently conform to the earthquake requirements?

Robert Maffin: Yes. The Woolworth Building.

Councilman Murtland: That's a new building. But Rhodes would not, or the Bon Marche building?

Robert Maffin: That is correct. The Jones Building will.

Councilman Murtland: The Stationers will not?

Robert Maffin: That is correct. The Jones Building and the Woolworth Building are the only two buildings that entirely meet seismic requirements.

Councilman Murtland: Has there been any estimate made as to what would be the cost in making Rhodes conform, being the largest building that does not conform?

Robert Maffin: Keeping in mind that these are estimates provided to us by Horace Whitacre, and including here the cost of meeting the code requirements. . .

Mayor Tollefson: Horace Whitacre was the local engineer?

Robert Maffin: Horace Whitacre was the local engineer who was employed by the City to do a study of the seismic requirements, and to estimate the costs of meeting that requirement, plus the cost of meeting the code repairing, as cited by the experts--in the neighborhood of \$250,000 for those two items, the Codes and the seismic--City Codes, Fire, Building, Electrical, Plumbing. . .

Councilman Murtland: Only \$250,000 for that building?

Robert Maffin: Yes.

Councilman Finnigan: Mr. Mayor, Mr. Maffin, you stated that there would be additional income to the City after the project was completed, or as the separate phases are completed along the way. Roughly, just what percentage of additional income through the increase in assessed valuation would the City receive? Have you determined that at all?

Robert Maffin: No, Sir, we have not, in precise terms. All I can do is recite examples from other communities, Mr. Finnigan, and I don't know that they are completely appropriate. How much return is increased by urban renewal projects depends upon the vitality of the local economy, the competition for the land, upon the extent of clearance of land involved, depends upon the amount of rehabilitation involved--the net improvements to the area. Where you're talking about sizable quantity of rehabilitation then the percentage of increase would not be so dramatic. Where you're talking about a higher percentage of clearance then the increase would be more dramatic. On the average it runs between three and five percent--three to five times, not percent--increase in taxable valuation. I believe accompanying this agenda was some material reciting instances in other communities where there has been an increase in taxable value, and that's the only kind of example I can give at this time.

Councilman Finnigan: Well, I thought that might be important as far as the added income to the City is concerned at a later date. Recognizing the fact that the State Supreme Court sat on this decision of Miller v. the urban renewal theory for a year and a half, which I thought was very excessive, do you think there would be any less efficiency in the termination of the other two urban renewal projects under way if you tackle this one along with the other two? It's gone along several years on the Center Street Project, and there have been statements made publicly and privately that there has been a lot of dissatisfaction in the development of the Center Street Project, and the Fawcett Project is quite new. I wonder if adding a third project would lessen your efficiency on each one of these project to any extent?

Robert Maffin: In my opinion, no, but let me explain why. The Center Street Project, when we count the number of owner participants in the area, now has 13 properties, approximately, remaining to be acquired.

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On all these properties there has been a public use and necessity hearing prior to the actual cases on condemnation. The dates for those trials will be set September 3. We would anticipate, generally speaking, that all property would be acquired in the Center Street Project by the end of this year. There is one major public improvement yet to be made in the Center Street Project--South 30th Street, with the paving, and additional paving of 'J' Street, from Center down to 30th, one block. All that yet remains in the Center Street Project is the disposition of land that will be made available. In the Fawcett Project, given the indication in writing of people to participate in the Project, it is thought the Project is now 80% acquired. Considering the fact that this project was actually started in execution the week of April 9, this is, I feel, a quite satisfactory progress, to have 80% of the project acquired. We expect to have virtually all of the site improvements in the area installed and the construction complete in 1964, and all that will remain, hopefully, will be the sale of property. It is my belief at this moment that we will practically speaking have the Fawcett Project completed by 1964, and very likely the Center Street Project completed not later than the very early part of 1965. Considering the fact that most of the early efforts in the New Tacoma Project, if it proceeds, will take place in the field of acquisition of land, this will have passed as an activity in the other two project, so we should be able to transfer the staff immediately on to that function in the New Tacoma Project.

Councilman Finnigan: You say that 80% of the Fawcett Project property has been acquired--no doubt there will be a great deal of clearance in land and properties, there is now in Center Street--if this plan is continued in the New Tacoma Plan, that means that there will be a great deal of bare property throughout the City of Tacoma. Is there any percentage figure of loss of income through taxes to the City of Tacoma out of your office before these become new tax paying properties?

Robert Maffin: In the New Tacoma Project, as I noted in the report, there is an estimated loss of taxes of \$156,000, which tax is computed as a credit for purposes of getting matching Federal funds. That, I expect, would be increased by about 30 to 50% because of the lag time between the time we sell the property and it gets back on the assessment rolls. In the Fawcett and Center Street Projects--do you recall, Tom, I don't have them right here.

Thomas Cook: \$15,000 in Fawcett; for Center Street about \$9,000.

Robert Maffin: For a total of the two projects--now, this is a direct loss, Mr. Finnigan--of \$24,000 on those two projects. Because of the length of time it has taken to move the Center Street Project along, and because of this lag time, I would suspect that cost would be increased at least 100%. So we're talking about somewhere in the neighborhood of \$300,000 in tax loss over the entire period for all three projects.

Councilman Finnigan: Well, on the brighter side, wouldn't this certainly increase the employment ratio tremendously in Tacoma, and be quite a stimulant to our economy to more continual labor and added income from source?

Robert Maffin: Yes, this is a largely an unrelated item. In the Center Street Project, for example, I think few people realize that

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we have spent in the neighborhood of \$100,000 to \$150,000 worth of money for contract work. We have put into the local economy approximately a million dollars worth of funds for the purchase of property; those funds in turn bought other properties and was turned over in this fashion. I think some of you may have read the article in the Tacoma News Tribune not too long ago regarding relocation, where several of these businesses are building new plants replacing the ones which they moved from. In each instance the plant was more valuable, a new facility and brings a greater tax return. In the New Tacoma Project, I don't think it should go unnoted that between the purchase of land and the installation of public improvements there will be a net addition of capital to the community--liquid capital--of about \$5½ million, a substantial sum of money to generate additional activity in the community.

Councilman Herrmann: Critics of urban renewal constantly focus concern on individual housing and the fact that this urban renewal business might take your house or my house, or the critic's house. Is there any plan to continue urban renewal here for specific residential areas?

Robert Maffin: Well, the General Neighborhood Renewal Plan, out of which this project has grown, designated three other project areas within this area. Two of them (indicating on map), the ones lying in this area right over here, and the ones south of the Fawcett Project, involve new housing redevelopment. Now there is existing housing in these areas, too. That housing would be affected obviously, plus the fact that there is new housing proposed as a reuse in this area. In addition, in the Capital Improvements Program as reviewed by the Citizens' Committee last fall, there were two other areas suggested as possible renewal areas based on two factors: One, the general condition of the properties as revealed by the 1960 census, a substantial portion or percentage of them being substandard; and secondly, because there was an incidence of public improvements in the area with which to finance the projects. Those are the so-called McKinley and McCarver areas. However, at those citizens committee meetings, and the various contacts which we have had with these people, it has always been indicated that these areas would become urban renewal project areas if and when two things happen: (1) the citizens in the area wanted such an action taken, and (2) the Council concurred.

Councilman Herrmann: It wouldn't then be a unilateral action--I mean, if this were contemplated it would have the approval of the citizens concerned, is that correct?

Robert Maffin: Yes, Sir.

Councilman Haley: Mr. Maffin, I want to get back to this New Tacoma Project somewhat more specifically. Do I understand that the problem of feasibility revolves around the seismic requirements dictated by Federal regulations? Secondly, is there any alteration or potential change in those regulations?

Robert Maffin: May I answer your question in a kind of round-about way, as is my wont, usually. The seismic question is the stickler. The seismic requirement is the standard which is contained in our Uniform Building Code, except that in the Uniform

Building Code there is no reference to 66-2/3ds of that standard; it's 100% of that standard. So that the standard for seismic resistance as talked about in the New Tacoma Plan is approximately two-thirds of that required for new construction. Now, the reason it is brought to bear in the New Tacoma Project, and is not brought to bear elsewhere in the community, except on new construction, is that this kind of a standard is effected only when extensive alterations or repairs are made to the property which generally exceed 50% of the present value of the property. Otherwise, this type of standard does not normally fall upon existing construction. But in the case of the New Tacoma Project it does, but at two-thirds of that which is required for new construction.

Councilman Haley: It does because Federal government regulations are involved?

Robert Maffin: I have been advised that the Federal government is not at this time inclined to make Federal funds available in the New Tacoma Project which provides a standard lower than 66-2/3ds of the seismic resistance required for new buildings.

Councilman Haley: Meantime, this is the nut of the coconut, the hub of the problem, in terms of feasibility. It is on this specific and only issue that the property owners will have to make a decision. If this becomes then unfeasible, there goes the project.

Robert Maffin: This may be the straw as it were for some of the property owners. There are many factors that relate to whether or not they are going to participate to the extent required. I have not yet heard a definitive answer to the question of whether or not the property owners affected by these standards will or will not try to meet those standards; and therefore, will or will not be willing to participate in this project. In other words, I do not have the final answer on this point.

Councilman Haley: But it's also related, though, to the donations of the \$250,000, plus the L.I.D. for the Broadway Mall. This is where the feasibility comes in; if they don't participate on those two elements on the basis of seismic needs, as regulated by the Federal government's code--why, then, without their participation then out goes the project.

Robert Maffin: Yes. I could think of a different way to answer that but

(A five-minute recess was declared by the Mayor at this time).

Mayor Tollefson: Mr. Maffin, I imagine you might just as well stand there. I imagine there will be some other questions put to you.

Councilman Murtland: Mr. Maffin, along the line which Mr. Haley and I have mentioned concerning this earthquake situation. In the total expenses which you have outlined here--some \$9 million--does that include the cost of acquiring all the buildings that do not conform to this seismic requirement?

Robert Maffin: No, Sir.

Councilman Murtland: Well, then, let's presuppose, because since you don't know just who might participate in having their buildings upgraded that way. . . let's say that all the owners decided they didn't want, like Rhodes, to put a quarter of a million dollars in, or some other place \$100,000, or some other place \$50,000. That figure would be quite a bit more, would it not?

Robert Maffin: Yes, Sir.

Councilman Murtland: And as a result we would have no means of acquiring that building then?

Robert Maffin: Based on the amount of local resources presently available, this is true.

Councilman Murtland: This figure, then, that you arrived at--did you take a sampling of owners, or was this a survey that was made as to those who might participate, and you eliminated those who would participate and put up their own costs for improvements, and then came up with this figure?

Robert Maffin: You mean the \$9 million?

Councilman Murtland: The \$4,774,000 included in the \$9 million.

Robert Maffin: If I may, Mr. Murtland, this includes the acquisition of all these shaded areas (referring to map), plus a reserve amount of around 20% of that figure for additional acquisition, should that occur.

(continued on page 12)

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Councilman Murtland: In other words, you feel that talking with the owners here, you feel that there are a certain amount that are going to participate and you can count on them, but you still have that reserve, is that correct?

R. W. Maffin: Yes, that is correct.

Councilman Murtland: Is there any possibility that the Federal Government will cut their seismic requirements? They've come up with it, is that it? Is it because of the area we're in, or is it wherever urban renewal might be?

R. W. Maffin: We have suggested some other alternatives which, because of legal and other problems involved the Federal Government questions the workability of such proposals, groups of buildings, for the downtown example. We've talked to the people downtown about this and they see the problem from a legal standpoint, as analyzing these buildings as units or groups of buildings. We have suggested this alternative, and it does not seem to be workable, and is not acceptable from the Federal Government's point of view. The reason for the standard is that like other areas of the U.S. subject to different kinds of natural phenomena, we on the West Coast are subject to earthquakes. We are in Seismic Zone 2; this is one of the most severe zones in the United States. For this reason earthquake resistance is required. Elsewhere in the U.S. they have special provisions for flood controls, wind controls, etc. This is a variable dependent upon local conditions and this is a condition in the Puget Sound area.

Councilman Cvitanich: Do we have anything official and binding from the Utility Board to provide the utility service down there?

R. W. Maffin: From the Board itself, no, sir.

Councilman Murtland: In the event that we were to adopt this as a plan, could we adopt it subject to these contingencies? Or do we have to adopt it and then go on? Where do we fit into the picture? By that, I mean the City of Tacoma, in the event that this doesn't come into being?

R. W. Maffin: The mere adoption of this plan does not mean that the plan will become effective. You can adopt a plan without doing anything about it in which case it may be an academic exercise. If the plan is found to be acceptable and adopted, it is followed by an application for a Loan and Grant from the Federal Government. The Federal Government responds with an offer of a Contract for Loan and Grant. It is that time that the City Council asserts that the local sources of funds are available or amounts equivalent to them will be available at the time necessary to carry out the project. That is not necessary at the time you make application for Loan and Grant. You may make the application for Loan and Grant announcing in the application that there are certain unresolved questions which, before you would execute the contract, would be resolved, else the contract would not be executed.

Councilman Murtland: These time elements that we are faced with on these credits, is that the time we adopt the Plan, or is that the time we make the application, or the time we get the Loan and Grant?

R. W. Maffin: None of those. The credits which we're talking about are the approximately \$720,000 credits for the escalades. The Federal law says that there is a 3-year time limit on those credits. That 3-year period expires September 20. If the Commissioner of Urban Renewal signs an allocation order reserving funds in the U.S. Treasury for the Federal Government's participation in this project, then those credits are reserved. This signing of the allocation order precedes the actual Offer of Contract from the Federal Government to the City. But it is the act which makes the credits reserved.

Councilman Murtland: We don't have to have something on record before that comes about? Don't we have to have an application.....?

R. W. Maffin: In order for the Commissioner to make that reservation, he has to have from us an Application for Loan and Grant.

Mayor Tollefson: Before he has the Application for Loan and Grant, we'd have to accept the report.

R. W. Maffin: The Urban Renewal Plan has to be adopted, yes. So taking it in order, from this point forward it means action on the Urban Renewal Plan, if you want to go ahead favorably, of course. At the same time, authorizing the filing of an Application of Loan and Grant in these approximate amounts. Then if the terms, conditions, contingencies, or what have you, are acceptable to the Federal Government, the Commissioner then authorizes an allocation order to the Federal Treasury. At some point subsequent to that, the Federal Government offers a contract to the City of Tacoma for a Loan and Grant, as we have in Center Street and Fawcett Projects. After that, then we begin the execution of the Project.

Mayor Tollefson: I think the Council would like to know, with regard to the amount of time available, how much time the City would need in order to get that application to give the Commissioner an opportunity to sign the allocation. I think the Council has in mind this: Would it be possible to continue this hearing for one week and still have time?

R. W. Maffin: Mr. Mayor, as you will recall, when we started this program, there has always been a question of time. Thus far we've made it. I would hope, (and the Federal Government has indicated its every cooperation in trying to meet these deadlines). I would think that the latest time we should take action on the Plan and make an application for Loan and Grant, would be next week, the 27th.

Mayor Tollefson: Then if we adopted the Plan next week we could make the application for Loan and Grant next week, and with three weeks time we could probably get the allocation, whether or not we ever went forward from that point on.

R. W. Maffin: That is correct.

Mayor Tollefson: Now, taking that step, and I think that you've answered it--would it jeopardize the position of the City of Tacoma in any respect if the other contingencies were than not later met?

R. W. Maffin: The Federal Government says that it will provide certain Loan and Grant funds if the City provides its share of the project cost. It is the City which is held responsible for meeting those costs. To that extent, once having entered into the Contract, then the City is obligated to fulfill its contractual obligations and meet the cost.

Mayor Tollefson: That is providing we accept the funds?

R. W. Maffin: Yes, accept the funds--enter into the contract.

Mayor Tollefson: How long can it be after the allocation of funds by the Commissioner before such contract would be executed in order to determine whether or not the people in the area affected would be willing to participate to a large enough extent or degree that it would make it financially feasible for the City to go ahead? What time after that allocation?

R. W. Maffin: As a reasonable period of time to process paper, and because of the pressing need to do something in downtown, I would think that around the first of the year would be the latest time. In other words, I would think that the contract would be offered sometime between September 20 and the end of this year.

Mayor Tollefson: By that time we would have to know whether or not the downtown people were willing to participate substantially, to an extent that the City itself could go ahead?

Mr. Carlbon: Mr. Mayor, can I ask just one question?

Mayor Tollefson: You just save it for a little while.

Mr. Carlbon: Mr. Maffin will be gone by that time.

Mayor Tollefson: No, he won't be gone. Now, are there any other questions that the Council has to ask of any of the other members of the staff of the City who have made the report?

Councilman Cvitanich: (of Kenneth Heymel) When you talk about the remodeling of the present buildings down on Broadway, the ones that have the new facades, etc. are they required to bring everything--their wiring, their plumbing, etc. up to code requirements for Fire Zone One?

Kenneth Heymel: That would be a matter of determination between the Fire Department and the Light Inspection Division to make a reasonable adjustment. If we can improvise and get the same results we would do so.

Councilman Murtland: (of John Maxwell Do I understand that the Council has to make a firm finding of blight in order to proceed with this matter, and if we do find any percentage of blight, or is it just a general finding? Do we have to determine in our own minds that it is over 50%? Is there any criterion that we can work on? I think Dr. Fargher, or was it Mr. Heymel, said that there were not protective devices under hotplates--I assume that means asbestos pads. Well, that's not a matter of blight particularly, and I'm just wondering what we have to fix as to blight?

John Maxwell: Blight, as defined in the law, is very lengthy.

Councilman Murtland: That is on Page 3 of your statement?

John Maxwell: On Page 3 there is a definition in the Miller case. RCW 35.81.010 (2)

" ' Blighted area' shall mean an area which, by reason of the substantial physical dilapidation, deterioration, defective construction, material, and arrangement and/or age or obsolescence of buildings or improvements, whether residential or nonresidential, inadequate provision for ventilation, light, proper sanitary facilities, or open spaces as determined by competent appraisers on the basis of an examination of the building standards of the municipality; inappropriate or mixed uses of land or buildings; high density of population and overcrowding; defective or inadequate street layout; faulty lot layout in relation to size, adequacy, accessibility or usefulness; excessive land coverage; insanitary or unsafe conditions; deterioration of site; diversity of ownership; tax or special assessment delinquency exceeding the fair value of the land; defective or unusual conditions of title; improper subdivision or obsolete platting; or the existence of conditions which endanger life or property by fire or other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime; substantially impairs or arrests the sound growth of the city or its environs, retards the provision of housing accommodations or constitutes an economic or social liability, and/or is detrimental, or constitutes a menace, to the public health, safety, welfare, and morals in its present condition and use."

Councilman Finnigan: I wanted to ask Mr. Bergerson, in his report he states that there are twelve families, and 331 single persons residing in that particular zone. What kind of shelters do most of them reside under? Are they in hotels--as I recall there are not too many separate homes.

Mr. Bergerson: There are no homes in the area. There are twelve families (by definition a couple is a family), the rest of them are single individuals. These people reside in apartments, so-called; rooming-houses, so-called; and also hotels.

Councilman Finnigan: You have talked to these people, or have you just totaled the number of people?

Mr. Bergerson: We have seen everyone of them at least three times. We've talked to as many as we could. We've talked to the Managers and the operators, traced the income structure of the group and generally satisfied ourselves that this is the correct figure.

Councilman Finnigan: On the whole there is little resistance to the possibility of having to move?

Mr. Bergerson: I wouldn't come to that conclusion. Obviously, in any case where there is disruption, they don't look upon it with favor. But our experience in Center Street and Fawcett so far has been that we've successfully mitigated all the dangers.

Councilman Finnigan: There has been a lot of discussion about properties being condemned by freeways and other highway systems, and other reasons to be evacuated from their homes. I just wanted it clear to see if the attitude generally was not too resistant to this having to move.

Mr. Bergerson: We couldn't say they resisted, but can't say they look upon it with great joy, either.

Councilman Murtland: In relocation of families in Center and Fawcett, isn't it true you've found they haven't felt too depressed? In other words, usually the facilities are better than they have had. True, or not?

Mr. Bergerson: In Center Street one person failed to upgrade his housing out of about 100 relocations. In the first 30 families in the Fawcett area, one has failed to upgrade his housing. After all, we can't make people do it you know.

Mayor Tollefson: (of Marshall McCormick). This is a question between urban renewal and offstreet parking law of the State as it affects the City. In this urban renewal project as planned, I see some offstreet parking areas. Would we have to abide by the State offstreet parking law and submit for bid by private capital?

Marshall McCormick: I think we'd have to abide by State laws, unless there are some Federal regulations.

Mayor Tollefson: So that it would be open to private enterprise for development?

Councilman Haley: Is this a fairly blanket operation? or could strings be attached, qualifications-amount of spaces, etc.

Marshall McCormick: City would have control under the terms of the lease, as to the rates to be charged, etc., according to the lease agreement.

Councilman Haley: What if there are no takers?

Marshall McCormick: The City can operate them itself, under State law.

Questions and comments from the audience.

Mayor Tollefson: Now. (Laughter)

Henry Carlbon: I'll give somebody else a chance to start off.
(laughter and applause)

Robert Ellener: I am an employee of the Department of Public Works. I reside at 3303 Gay Road, Ryallup. Is it correct that the Utility Board has been asked for \$250,000 or more to help this urban renewal project?

Mayor Tollefson: No, they haven't been formally asked. This is an estimate of the cost of relocating facilities in the area to serve the area when it changes its pattern.

Robert Ellener: It probably will be though, won't it?

Mayor Tollefson: It will be submitted to the Utility Board. They will have to make a determination of whether or not the amount of services that they will render will warrant a relocation of services.

Robert Ellener: Center Street and Fawcett still have that question of paying for that railway property in the south end of the project. Urban renewal paid for the improvements on land that was leased from the railway, but they don't have title to that yet.

Mayor Tollefson: They can pay for the improvements on land of any type of a working agreement between the railroad and the owner of the house. They could own the house as a chattel, and the City pay the owner of the house for the improvements.

Robert Ellener: The reason I say this is my wife had a mill on Green River watershed - same kind of a lease. She had to give up the mill without a cent paid on it. It was lost. That is what I can't figure out. According to the Urban Amendment, you're supposed to pay for anything you take. Still, you don't have the title to that property yet so how can it be paid? Still, she can't be paid up there.

Mayor Tollefson: I am not familiar with the problem of your wife's mill or how it was solved.

Robert Ellener: Well, it still isn't solved. About the taxes Mr. Maffin mentioned. Is that the City's share, or is that the School Board, County, and State shares, and everything? If it is, it seems like an awful low figure.

W. Maffin: That includes all taxes.

Robert Ellener: Would you give those figures again, on all three of them? Or rather you would give them out by project.

W. Maffin: \$9,000 in Center Street; \$15,000 in Fawcett; \$156,000 in New Ryallup; plus lag time, add 50% to 70%.

Robert Ellener: That includes everybody's share? School Board, County, State?

W. Maffin: That's all local taxes levied against the property. The total amount, yes.

Leo Gallagher: I am Leo Gallagher. I reside at 3601 North 36th, I am owner of the Sound Mattress and Felt Company.

Leo Gallagher: As a substantial tax payer of the City of Tacoma I feel I should express my concern for the manner in which the City of Tacoma has been proceeding with its Urban Renewal program. I have been an industry member of the Action Planning Committee which has been considering downtown Urban Renewal since October 1962. I originally became interested in Urban Renewal due to my concern with the ruthless manner in which good homes and business houses were destroyed in the Center Street area in what looked to me to be poor business judgment on the part of the Urban Renewal Department of the City. There seemed to be an utter disregard of how our hard earned dollars should be spent and I am sure if I operated my business as the Urban Renewal Department operates, I would not be in business today.

While serving on the Action Planning Committee in the early meetings we held, I went along with most of the thinking behind many recommendations made to the Urban Renewal Department. However when the leadership of the Urban Renewal Department completely disregarded our recommendations on the West side of Broadway from 11th to 13th, I changed my thinking entirely for I could then see that they were not concerned with values of property or the moral responsibility they had in regard to the property owners and tenants in the area. We were told from time to time that they would work with tenants and property owners to cushion changes of location, however I have found that in the present plans for the downtown area no tenants were contacted to get their reactions on disruptions to their business if the plan should move forward.

The most important tool Urban Renewal has is its legal power to condemn property so that a package can be put together. However, the city has a very definite moral responsibility in the use of this tool and should not use it to the detriment of business firms when other means could be used to carry out the program. I happen to have at least six very good friends in business on Pacific Avenue, Broadway and Market Streets and if the Urban Renewal Department planners had their way, they would destroy the business of these friends of mine without even asking them if they would be injured. None of them have been contacted in the present plans and yet the plans as presently drawn call for the complete elimination of the properties they occupy. Unfortunately the whole plan for Urban Renewal in our downtown area is centered on considering helping business from 9th to 13th on Broadway with utter disregard of firms which will be in the way of making parking lots for these larger Broadway firms. The elimination of some firms by the proposed parking areas will in itself reduce Broadway business, since these small firms take care of many needs of the customers of Broadway stores. They would have to look elsewhere for the things they buy in the smaller stores and in doing so would purchase many items that could be purchased on Broadway and thus the Broadway business firms would suffer.

Urban Renewal is a big real estate venture and as such should have the best brains and experience that can be found. I doubt if the city could find qualified men to hire for such a job but it could have an advisory committee or commission to approve their plans. You members of the City Council do not have the time to make the thorough study some of these decisions require.

I am in the real estate business myself in addition to my ownership of the Sound Mattress & Felt Co. I am just completing a 25,000 foot addition to a 33,000 foot factory building and on its completion I will have 277,000 feet under roof in the several factory buildings and warehouses. Before moving forward on any of these projects I gave them a lot of time and study and in some cases it was months and others years before I went ahead on them and I always proceeded cautiously, and I always sought the advice and council of others before I went ahead. Yet under Urban Renewal practically one man is making decisions, vital to the future welfare of Tacoma and while you council members pass on his judgement, you do not have the time nor are you paid enough to give these projects the study they need.

I feel the time has come when the tax payers of the City of Tacoma should be given an opportunity to approve or disapprove the Urban Renewal plans for the City of Tacoma by putting it on the ballot. (Heavy applause) They have not been consulted nor have they been properly advised by the City of the enormity of the project they are getting into. They should have a chance to say whether they like this socialistic plan of operation. I think it is time our law makers in Washington should understand that the cities and states of the nation are not looking for supposed hand outs of funds. These politicians are just trying to buy votes with dreamy-eyed plans paid with our tax monies. Billions of dollars are being added to our income and other taxes to carry out this type of plan which has been turned down by many cities of the country. Right here in the northwest Springfield, Oregon and Spokane have knocked out certain Urban Renewal proposals and it is time we do likewise before the octopus swallows us.

I know that in this statement I have the support of the industries I have been representing on the Action Planning Committee for they realize that part of the money spent on Urban Renewal will have to be added to their business overhead or paid out of reduced net profit due to taxes which otherwise could be reduced.

Leo Gallagher: Now, in addition to this written statement, I would like to quote you some figures from a report of the Taxation Bureau. While it has no relation whatsoever to urban renewal, indirectly it's the key -- it's the financial end of what's going to happen in the City of Tacoma, and it should be considered. Under the bonded indebtedness for the City of Tacoma in 1954, there was a bonded indebtedness of \$4,359,000. In 1958 there was a bonded indebtedness of \$12,668,000. In the last election, we approved \$5 million -- just multiply that by 3%, because that's what you're paying. You've got about \$520,000, divide that total by 20 and roughly you've got \$800,000. There is \$1,300,000 that is added to the burden of the taxpayer. I'm not saying by that we shouldn't have these things, but it should be taken into consideration, for here is the key to it. On another page, the millage that the City of Tacoma is paying and the City of Seattle. In 1961, Tacoma paid 64½ mills -- I mean Seattle paid 64½ mills, and Tacoma paid 80.48, sixteen mills difference. In 1960, Seattle paid 55.40, Tacoma 67.95, 12½

As difference. Now the reason I'm mentioning that is that we in the industry have to take all these things into consideration when we're figuring our costs. I have two competitors in Seattle. They have a mill advantage on me at the present time. Other businesses are in the same spot. I have a tenant who, when his lease expires a year from this date, is going to move to either Seattle or Portland. He carries a heavy inventory of high priced material and the taxes will be less on him there. Another reason, which we have no control over, is that he'll be a little closer to drop-in customers. But I'm pointing out these two factors regarding industry because this isn't just a case of urban renewal -- it's a case of the finances of the City of Tacoma, and I think the finances of the City of Tacoma are being jeopardized by getting these promotional groups set over bonded indebtedness, some of which we could get along without, and some of which we need. Some we need right now. The big story is they want \$3 million for the 15th Street Bridge. Do they want the \$3 million for the Street Bridge, or do they want it for the matching money we're going to get from Washington, D. C. Urban Renewal Department is going to push it to get matching money from Washington, D. C. The same will be true of other requests, because this Urban Renewal plan cannot go forward without additional bonded indebtedness by the City of Tacoma. We're up to our neck in bonded indebtedness, and I think it's about time that we take a look at our bonded indebtedness, because we're going to hurt industry. Tacoma is an industrial city -- it isn't like Seattle. Seattle has big banks, insurance companies, everything else. We are dependent upon the work of the people of Tacoma. Small industries keep it going. The bakeries have all gone to Seattle -- they can operate cheaper there. The same is going to be true of others, so when this Council votes on urban renewal let's consider the financial condition of the City, as well as just the plan of urban renewal. Thank you. (Pause)

Wilman Murtland: Mr. Gallagher, I'm curious. What taxes is it that that tenant pays on a heavy inventory that you were talking about?

Gallagher: Well, his taxes of 10 mills amount to something.

Wilman Murtland: On the heavy inventory?

Gallagher: Yes. Ten mills to me -- this is my own case --

Mr. Tollefson: Mr. Murtland wants to know where does this 10 mills come -- personal property?

Gallagher: On personal property.

Wilman Murtland: And how much of that goes to the City?

Gallagher: Well, irregardless of what goes to the City, it's how much he actually pays.

Wilman Murtland: Yes, I know, but I'm just curious how much of that 10 mills actually goes to the City, or the City has any idea? Do you know?

Leo Gallagher: By looking at this report here, and I think right on that page I was talking about. All right, here it is. In 1960, the City of Tacoma got 23.84 mills; schools got 31.76; County, 10.24; State 2.98; parks, 9.66; and the Port, 2.

Councilman Murtland: May I ask, Mr. Gaisford -- is that amount he's speaking of on the high inventory of his, what amount would that be to the City on the personal property tax to be levied on that?

Mr. Gaisford: It would be prorated on the total assessed valuation.

Councilman Murtland: It would be small, would it not?

Mr. Gaisford: Yes, it would be small.

Councilman Murtland: In other words, the 10 mills is not levied by the City.

Leo Gallagher: Oh, no, I'm not saying that. I'm saying what your total tax bill is.

Councilman Murtland: I think you left the impression, Mr. Gallagher, at least you did with me, that the extra 10 mills was the extra 10 that would be going to the City. We get a very small amount of that -- I'm sure you're aware of that.

Leo Gallagher: I understand that. I'm thinking that we all have to think in business of our overhead, what is our cost. As I started to say, in my own case here, every time you go up one mill, it costs me \$240, -- that's mostly in my real estate. When my taxes go up, I want to weigh them just like I'm weighing this. And what I've seen of Urban Renewal presently, I'd vote against it.

Councilman Murtland: But in weighing this, now on this figure you just brought out, Mr. Gallagher, what is the difference between the millage that is levied by the School District in Seattle as levied by ours? Is there a difference there? Do we levy more?

Leo Gallagher: In 1960, we were very close.

Mayor Tollefson: And the City of Tacoma had 23. what?

Leo Gallagher: City of Tacoma had 23.84 for city taxes, and Seattle had 20. It's the total taxes that affects your business.

Mayor Tollefson: Yes, I appreciate that. Just for the purpose of the audience knowing what ratio went to the City and what ratio went to other areas . . . do you know what ratio under the proposed urban renewal plan? Do you see any increase in taxes as a result?

Leo Gallagher: You're going to have to vote more bonds to keep the thing going.

Mayor Tollefson: Of course, that's what we don't have to anticipate having to do, is to vote any bonds to keep urban renewal going.

Leo Gallagher: The whole plan is predicated on that -- you better know it, Mr. Mayor. Because the amount of money it's going to take is going to have to be matching money out of Washington.

Mayor Tollefson: You mean we're going to have to vote local money to match the Federal money?

Leo Gallagher: Definitely.

Mayor Tollefson: I think the report indicates differently.

Leo Gallagher: I don't know what the report shows. On this whole controversy, we're going to have to put in a viaduct on A Street, we're going to have to put in the 15th Street Bridge, and then with that we get enough money to finish the project. Otherwise, we can't finish it.

Mayor Tollefson: Well, I think that's merely a collateral matter that we might have the benefit of; just like we might have had the benefit of the County-City Building matching funds had urban renewal been available when the County-City Building was built. Had the urban renewal law and plan been in effect when we built the County-City Building, I think we would have had credits in the neighborhood of \$4 million as the City's share -- I'm not just sure of the figure -- which would have permitted matching funds of \$8 million, but it wasn't built with the idea of getting matching funds, but you try to relate your improvements to the plan or to the possibility that the Federal government permits you to operate, so that if you do have a project going into a particular area then that's the time to take advantage of funds. Now the Yakima Avenue Bridge was just such a thing. It wasn't built for the purpose of getting funds in that area, because we didn't know if we would even have a law. The bridge was built because of the need of the transmission of traffic. Then because it was built in this area, it served the area of the Center Street Project, and as a result there were enough credits from the Yakima Avenue Bridge so no monies in general obligation or general fund monies had to be used; we had more than enough matching funds from the Federal government. If I'm not mistaken, that would be the same idea that would prevail in the event the 15th Street Bridge goes through. I think that the studies indicate very clearly that with the amount of traffic they will be generating over there that a 15th Street Bridge has been needed for a long, long time, and perhaps we ought to get it pretty soon. If we do get it, and there is any need for any urban renewal in that particular area, then the theory would be to take advantage of the 15th Street Bridge. It's not a case of the 15th Street Bridge being built solely for the purpose of getting urban renewal funds.

Leo Gallagher: I think you'd better check further because I think you'll find they cannot complete the project without this matching money from some type of bond issue that will develop credits in the area.

Mayor Tollefson: Mr. Maffin, can you answer that? Was that in conflict?

R. W. Maffin: No, at one point, as Mr. Gallagher will recall, there was discussion of utilizing credits from a 15th Street Bridge before this project. That is not proposed in the current financing plan. I think, Mr. Gallagher, you may be thinking about some of these other projects which we talked about in the downtown area which might derive benefit from a 15th Street Bridge. But not this project. The 15th Street Bridge and the 'A' Street Viaduct are not part of the anticipated one-third share of this project.

Leo Gallagher: It includes the complete area which you showed in the outline on the board there?

R. W. Maffin: Yes, this area here.

Councilwoman Price: Mr. Gallagher, where did you say you had those comparable figures between Seattle and Tacoma in regard to the tax rates for the various years?

Leo Gallagher: This is a report of the City of Tacoma's Pierce County Tax Bureau.

Councilwoman Price: I was rather interested in those figures and where they were compiled. Then I believe you mentioned there was a \$3 million cost of the 15th Street Bridge, was that correct?

Leo Gallagher: That's the figure that's been banging around.

Councilwoman Price: Well, the reason I questioned that was I believe that one of the reasons for not putting it on the ballot at this time was that the Citizens Committee had not determined the cost of it, and I just wondered where you had gotten the figure.

Leo Gallagher: I got the figure from the time we considered it.

Councilwoman Price: There had been no engineering done on it, though?

Leo Gallagher: No.

Mayor Tollefson: Thank you, Mr. Gallagher. I think it would be appropriate to say that as far as the Council is concerned, and I think the Council will bear me out on this, urban renewal, for the purpose of renovating any downtown area, is not accepted in every community in the United States, but it's accepted on the national level about 3/2 to 1. It's not altogether right, and it's not altogether wrong. But we recognize, and I think you recognize that there is a problem in downtown Tacoma that grew up historically, because of the way it grew and because of the way the buildings clustered about the central hub of the transportation center; when all of the streetcars and all of the buses, which was our principal means of transportation some years ago, came to a central transfer point either at 11th and Pacific or at 11th and Broadway. The property owners and the merchants, recognizing that the people transferred at these transfer points -- and this was the central area, there

were no large, local business centers on the outskirts -- took advantage of this transfer point and built their stores in these particular areas. It is only natural when property becomes real valuable and there is a large pedestrian traffic, that the stores would be built as they were. It is not the intention of the Council to tell anyone that they're going to have to do something in a particular way. It's the intention of the Council to hold up to the merchants and the property owners in the downtown area this possibility of upgrading their situation, and making for the people a better city. If the people in the downtown area refuse to accept the plans that we're willing to try to assist them with then, of course, the Council is not going to mandatorily say, "You must do so". If we will not get the participation and the good wholehearted support from the property owners and the businessmen, we're not going to tell them, "We're going to take your property away". We merely hold out the tools by which they can accomplish this, if they, the owners of the businesses and the property wish to avail themselves of it. We feel that we have this duty as elected citizens to give them an opportunity in that regard, and this hearing is designed in part to hear the recommendations, to hear what conditions have to be met, and to finally determine whether or not the people in the area wish to be served. If they do not, then we have done everything that we can in that field to assist them.

Homer King: Your bringing up that matter reminds me that there are many taxpayers throughout the City of Tacoma -- they must contribute to this voluntarily because they have no chance to vote. I think that should be put on the ballot whether they should contribute to the downtown area. If they must contribute through taxation for that district to revitalize it, they should have the opportunity to say whether they want to or not.

What I really intended to speak about -- I, as a businessman, one who formerly owned 100 feet of this tract where this building is built, I think I have an opportunity to compare and realize values when buying. I'm thinking of 915-17 Tacoma Avenue, which Mr. Murtland represented, and which I understand Urban Renewal has paid \$62,000 for 50 feet. I asked Mr. Maffin what would become of the property. He said they would demolish the building. They have an investment of \$62,000 on 50 feet of vacant property. I would like to ask Mr. Maffin to explain what can be built on that 50 feet that will produce a fair revenue, and if they do that in many instances, this would be a complete failure as it was in Philadelphia. They returned 20¢ on the dollar in Philadelphia, I have that from a written statement, and also it was published in Mercury Magazine. So, Mr. Mayor, I'd like to have Mr. Maffin explain what can be built on that 50 feet across the street, when they destroy that frame building, that will produce enough revenue to pay. Can you explain that, Mr. Maffin? (Laughter)

W. Maffin: The point at issue is, how can you expect a fair return on a \$62,000 investment on 50 feet of property? Actually what Mr. King's point proves here, is one essential purpose of the Urban Renewal Program. If there were to be found an effective net return on a \$62,000 investment for 50 front feet of land, you can rest assured that some imaginative, enterprising businessman would make that investment and get that net return. The heart of

the matter is, however, that the purpose of the Urban Renewal Program in part, is that it recognizes that to clear out some of these conditions of congestion, deterioration and decay that exist in part of our city, is not a financially attractive investment for private enterprise. There is in fact a net loss involved. This particular piece of property was appraised by two local appraisers. They ascertained the fair market value for the land and improvements as they now stand to be approximately \$62,000 -- that's the fair market value for that property as it now stands. That property will be cleared of those improvements. Those improvements were paid for at their fair value. There is a cost in demolishing those improvements. That land is put back on the market for private consumption at a rate at which private investment can then buy the land, develop on it, and expect a fair return on the investment. There is an inevitable loss involved, and this is the cost of urban renewal.

Homer King: That's what I wanted to know.

Mayor Tollefson: This is somewhat akin to the urban renewal development under a different name for the renewal of our Port Industrial District. The Port Industrial District, under the Port Authority, has done exactly the same thing but not under the term of Urban Renewal. The Port District was divided into approximately over 1,000 different ownerships, where industry could not obtain title to a site to bring industries into the area. The cities of the State of Washington had a law passed permitting the ports to acquire land in the same manner. They acquired the land in the Port Industrial District, and again you would find that they had to buy houses on a 50 foot lot, 60 foot lot, 100 foot lot, and would have to sell or demolish them when again the price for the particular amount of land would be in the neighborhood of perhaps \$1,000 or \$10,000 per structure. But this was a part of a plan to develop an area, and then they in turn received Federal funds from the Federal government to extend their waterways and to develop the area for industry. Now this one doesn't happen to be exactly industrial, but it is akin to that same problem.

Homer King: Mr. Mayor, there is one difference there. One is that the Port condemned the property that they couldn't purchase at a reasonable price. With Urban Renewal, in this case, they paid \$62,000 for two lots. I paid \$1,000 for 25 feet. I had four lots on the better side of the street, and I know something about comparative values, and the appraisers appraised them at \$2,000 a lot.

Mayor Tollefson: At your particular time, when the County-City Building was not here, the values of the properties and the land were that much less. They have increased that much in value.

Henry K. Carlson: Then that's the reason now for this urban renewal across the street, because the property values have increased and somebody's going to make a profit. Are you going to continue this meeting until next week? If you are, I'll take next week; otherwise, I'd like to have

Mayor Tollefson: Well, you'll be here; we'll be here. We're not going home, Mr. Carlson.

Mr. Roach: I am Mr. Roach, I am an Architect. I live at 3210 North 30th, Seattle, Washington.

I've had something to do with urban renewal projects over the past, and I think that something this gentleman behind me said about urban renewal projects operating at a loss, struck me rather strangely. I don't believe that this is always the case. Kansas City, Missouri is probably a good exception. I believe that they purchased land, or obtained control in such the manner which you are thinking of. They leveled off the buildings, then, I believe, they put the land up for public bid. I think, and you can check with the Commerce Trust Company, that actually they came out with a profit. Probably where this gentleman behind me may have made a statement that wasn't quite right, was that many times in considering large scale planning over a large scale area, you have to pick up small pieces of property at a price that is not an advantage for citizens. When you begin to plan the area, the loss of these small properties is absorbed over the full sale price of the urban renewal property itself. I know that this is the way it is in San Francisco, this is the way it is in the Santa Monica Development, and in Los Angeles, and a few other projects which I could mention. Is this not right? Would it be put up for bid -- then, I imagine this would be competitive bidding, and that actually in the long run, the citizens of Tacoma, varying in individuality, of course, could expect an even return on the money. This is the way I interpret the law from past experience in other projects I have worked. I don't know any of them that have lost. I think that some people in the room picked it up that the project was going to operate at a loss, and then the citizens would have to pick up the tab for it.

Mr. Carlom: Well, we don't know yet. What happened in Kansas City doesn't necessarily happen in Tacoma.

Mr. Roach: This is quite right. When a man buys a house, he's never quite sure what the cost is going to be, but he obtains the services of people who will insure that they will design a structure according to his pocketbook. Now if he's been discerning in selecting people, a lot of times the cost is what he thinks it's going to be. But it isn't always, and cannot be, guaranteed in advance. But the experience and study of urban renewal projects which I have had a great length -- seven years, I guess -- led me to believe that these urban renewal projects do break even.

Councilman Steele: Philadelphia's an 80% loss. Philadelphia paid off in 4 years, 5 years.

Mr. Roach: Well, again, all projects -- I can't say that they're all successful, but from what I have seen they don't lose much.

Mayor Tollefson: Those that have been in operation for a long enough period of time so that a study can be made, they have shown that the increase in the values to the property, there was an increase in the revenue that comes to the City by way of taxes, and has paid off the property in a very short time, and I think Mr. Steele has cited a certain area in Philadelphia where they paid it off in how soon a time?

Councilman Steele: Five years time. Increased it from \$180,000 to over \$200,000 in assessed valuation.

Mayor Tollefson: Didn't cost the taxpayers a penny?

Councilman Steele: No.

Mayor Tollefson: Thank you very much Mr. Roach.

Mrs. Scholl: I am Mrs. Gertrude Scholl. I reside at 7602 North 15th St.

Since your Honor has so kindly represented the case of the Council as presenting this beautiful plan to the downtown merchants and property owners, and since the City Council members have little opportunity to talk to any of these property owners or retailers downtown, would it be possible, Your Honor, to have a showing of hands of those people who own property, or who retail downtown, who are here in this audience?

Mayor Tollefson: You mean in this particular area? The downtown property owners in this particular area?

Mrs. Scholl: In the Downtown Tacoma Urban Renewal Project.

Mayor Tollefson: Would you like to have them raise their hands?

Mrs. Scholl: Yes, please.

Mayor Tollefson: Are there any who own property in that particular area? Three, I see.

Mrs. Scholl: I think this is a good demonstration to you of the overwhelming enthusiasm with which the downtown merchants are approaching this proposed project. (Applause)

Mayor Tollefson: I think, Mrs. Scholl, you will find that the downtown merchants and property owners have met almost continuously with the urban renewal staff and departments to discuss this matter, and they might even be meeting this moment. It is not necessary for them to be here at this particular time.

Mrs. Scholl: My reason in bringing this point out, Your Honor, was this. When Mr. Maffin was questioned as to the number who would participate, he did not know. When he was asked specific questions about those who were willing to participate, he would say, "I think". If it is in such uncertain terms with Mr. Maffin, who should certainly know, and the City Council members do not know, evidently the retailers and wholesalers do not know, either, and I would think this would be a good place for them to hear these things and get them resolved. I realize they have their own committees, but it's amazing to me that things are even being considered when it is such a hodgepodge of "I don't know's" and "I think so's" and "maybe's". This isn't a small sum of

We are attempting to spend, and it is not your money or mine, particularly; money you wish to spend is coming from every taxpayer in the United States. Coming to the amount of \$9 million, I understand, and this is only the beginning. We have never known for sure how much money was proposed in the first place for the Center Street Urban Renewal, nor do we know how much it cost to date. We have been told it has cost nothing. However, who is keeping up the Urban Renewal office staff, who pays out this, I think it's \$50,000 for printing? Where is the money coming from?

Mayor Tollefson: Well, on your first statement with regard to the "I don't know's" and the "maybe's", I think it was explained to you, if you were listening, that Mr. Maffin does not know, and the property do not know at this time whether or not they will participate. It was ascertained that they would have to qualify under the seismic qualifications of the Federal government. When then becomes necessary for them to make an examination of their structures to see whether or not it is economically feasible. They have been doing this. I think that some are finding that the amount of work they will have to do will be small; therefore, they would be willing to proceed, and they would like to proceed, and they are trying to urge others to do so. Others find that the amount of work they would have to do would be larger, and it may or may not be economically feasible for them. In other instances it is so large that they know automatically that it's not economically feasible, or they might believe that it's not economically feasible. I think that on that point, at this time they do not know, and they do not presume that they know; that is why I tried to delineate the procedural steps of adopting this particular plan, asking for an allocation from the Commissioner at the Federal level. Then if the people in the downtown area do not wholeheartedly support it, and are not willing to go along with these things that are required, then we would not take the next step and enter into the contract.

Webb: I am Harold Webb. I reside at 3601 North Proctor.

Mr. Mayor, would you define what you mean by wholeheartedly? If there's a property owner, if there's two or ten that resist this, what do you find wholeheartedly?

Mayor Tollefson: I think that wholeheartedly is, about as well as I could state it, -- if one big, central project would say "No" they could defeat the whole thing. If, on the other hand, a small one in a particular area that would not or did not think it was necessary to proceed and would rather take the money that he would get by having the land condemned and put it elsewhere in the City, or buy in another area within the urban renewal project, he might choose to do that. You would either upgrade that place or you would demolish it and offer that particular one for sale. I cannot say percentage-wise or otherwise at this particular time, but that's the manner in which you would proceed.

Webb: That's just another uncertainty in the whole project.

Mayor Tollefson: It's a part of it, yes. Just as uncertain as tomorrow is.

Mrs. Coonin: I am Thalma Coonin. I reside at 614 North Meyers.

How do you find out what the percentage of people in favor or against is? There's been no vote. Do you knock on their doors and ask them? How do you find out?

Mayor Tollefson: Do you mean in that particular area?

Mrs. Coonin: Any area.

Mayor Tollefson: We're talking about this downtown area, now.

Mrs. Coonin: In talking about it, how have you gotten your vote for or against?

Mayor Tollefson: You have to go through them property owner and tenant, by property owner and tenant, to see whether or not they wish to proceed.

Mrs. Coonin: Have you done that since this meeting has been advertised, and this Council must pass on it? Have you done that at all?

Mayor Tollefson: Yes, the staff has done that to a certain extent but they don't

Mrs. Coonin: Is that your staff, is that the City staff, or somebody from the Council that did that?

Mayor Tollefson: No, the Council doesn't do it.

Mrs. Coonin: Then how do you know, Mr. Tollefson, who's in favor or opposed to it?

Mayor Tollefson: We don't know exactly who's in favor or opposed to it, and we won't know until they come right down and get on the line.

Mrs. Coonin: Or unless we voted on it.

Mayor Tollefson: No, that won't do any good for whether they, down there, would like to participate.

Mrs. Coonin: I'm just wondering how you get this vote of the people.

Mayor Tollefson: The vote of the people is a different thing you're talking about. If you're asking whether or not this matter should be submitted to a vote of the people generally, you're talking about a different thing. If you're talking about whether or not these people are willing to participate, -- that means improve their buildings, bring them up to seismic qualifications

and participate in the L.I.D. for the creation of the Mall -- if a sufficient number are willing to do that, then that area could perhaps go ahead. If there are not then it won't go ahead. We don't know at this time.

Mrs. Coonin: Mr. Tollefson, you said yourself the word "wholeheartedly", and I'm asking you to explain what you mean, how do you get to it? You yourself said it took wholehearted participation.

Mayor Tollefson: That's right. We won't know that until they go door to door to door.

Mrs. Coonin: So you cannot pass on this under your own word until you go door to door.

Mayor Tollefson: I have explained the procedural steps, Mrs. Coonin. At the present time the City has an opportunity to capture credits by reason of improvements.

Mrs. Coonin: Mr. Tollefson, we've all studied that. I just want you to answer one question -- your "wholehearted approval".

Mayor Tollefson: I just did answer that for that gentleman according to the best of my ability.

Mrs. Coonin: How are you going to determine the downtown property owners and merchants attitude?

Mayor Tollefson: I can't tell until they come up with the acceptance or rejection, piece by piece.

Mrs. Coonin: We elected you, Mr. Tollefson.

Mayor Tollefson: Yes, and they'll have to satisfy me.

Mrs. Coonin: We want you to find out, not Mr. Maffin. (Applause)

Mayor Tollefson: This entire Council will find out.

Leo Gallagher: I think it is the responsibility of this Council to order the Urban Renewal Department to contact the people on Pacific Avenue, on 12th to 13th, on the lower side of Broadway, between 12th and 13th, and on Market Street, on 11th to 13th, and find out how they feel about it. They have not been contacted, they are being disregarded entirely; they're sitting down there wondering, "Am I gonna go out of business?" That's what my friends on those streets tell me. They should be called, and I say again this Council should order the Urban Renewal Department to contact those people personally themselves. We're talking about Broadway, sure the people there are in it, but these are going to be kicked out of the woods. That's what's going to happen to them if this project goes ahead.

Mayor Tollefson: Any other questions?

Mrs. Botts: I am Mary E. Botts. I reside at 916 South 15th Street.

I wanna say this. Do the Council put in books or into something how much you sell the people's property? Now my property was sold -- who bought it? Bring out the name who bought it, cause one time I said to the Council I read in the paper that Senator -- I can't remember his name, but you all know who I'm trying to say -- Kupap, or whatever his name. He was trying to buy to put in apartments. Is it on my property? Or is it on the other one on the other side, or is it including Urban Renewal's property? I want to know. You folks haven't said who bid for that property. That property has cost me almost my life, and my childrens. You all wanted that property for a little money and you see how stubborn I was. Over there on that cave-in where I had a drop on the street there you're gonna come through with some money and see about my crippledness. I would have sticked there and stayed there if you said I had to have my hedge cut off, because you just now have the place the what-you-call-it -- transfer going in front. And when I was there I had to go way back to 'I' Street from that corner, 27th to 'I' Street to catch a bus, and come have all the way around. Now, tell me, tell everybody, who bought my property? And how much you sold it? There should be bids, don't it? Let me know about the bids. I been trying to get you folks to tell me who bought it, because a letter from this Council -- you wasn't here, Mr. Tollefson, it was another Mayor -- wrote me a letter and told me you wanted that property for industrial. Now there's nothing done over there and I been away a year and a half. All I see on those trees that cost me so much is rot. Why don't you all cut that down? But you have that there for caterpillars. And I feel so bad when I pass that little piece of property and see how I labored; how my work money gone there, my health, my children. And I want you folks to put in the paper, if you put in the Tribune everybody will see it. If I don't see it they'll call me. Who bid on it? How much they sold that property? Because you all gave me \$2,750 because I was too stubborn to give it away for \$1,750.

Mayor Tollefson: I'll find out for you, Mrs. Botts.

Mrs. Botts: Please, and let everybody on the Council know how much and who was the bidder.

Mayor Tollefson: Who bought your property? Corey, can you answer her?

Corey Richmond: No. Mr. Maffin?

R. W. Maffin: The property has not been sold.

Councilman Steele: Kupka didn't buy it, did he, Maffin?

R. W. Maffin: The property he was considering was catty-corner on what would be the northeast corner of that same intersection.

Mrs. Botts: Mr. Maffin, didn't sell my property like they wanted some years ago. But you got the caterpillars enjoying all that property, where I could have been enjoying it, and canned my fruit by this time.

Robert Ellener: Mr. Mayor, has any of that property been sold on Center Street in the project.

Mayor Tollefson: I don't know right now. I don't think any has been sold yet.

Robert Ellener: I'm just wondering, sir, if any of it can be sold until you straighten up that railroad property.

Mayor Tollefson: I presume that there are some parcels that are not connected to that.

Robert Ellener: If you get started in downtown, then the first thing that you know I think it's twelve acres on Fawcett Avenue and you'll have Center Street and there won't be any taxes coming in.

Mayor Tollefson: Well, Center Street is a light industrial -- Fawcett is not a light industrial.

Robert Ellener: Can you sell any of that until you straighten up this railroad problem?

Mayor Tollefson: Probably can.

Robert Ellener: Well, I don't see how you can. You're waiting for this Supreme Court property to be condemned, and I would think you'd have to wait for the railroad property to be cleared. If it is sold you're going to have an awful lot of property that isn't going to be on the tax rolls.

Mayor Tollefson: Someone else want to speak.

Mr. Medved: I am Robert Medved. I reside at 6620 South Sheridan.

I operate several parking lots in the downtown area. I also represent the Tacoma Downtown Parking Association. As long as this hearing has turned to the feasibility of this plan I'd like to say a word or two on the feasibility of this parking. I think if you look at this map as I have, you'll find that the largest ground area involved is offstreet parking.

Mayor Tollefson: Mr. Medved, is there a map you would like to have shown at this time?

Mr. Medved: Not necessarily. It was on the screen, and I think everyone saw how much area was involved in parking. As some of you will recall, we opposed a few years ago the building of parking garages in downtown areas by the City. Now myself, and the people I represent are not opposed to the addition of new parking when it's feasible. But when it is not feasible, and has to be built and subsidized by the City, it's not fair to ask us to compete with that type of operation; and it's not fair to ask the taxpayers and all the citizens to subsidize this program which is going to benefit a few people in the downtown area. I'm not averse to expanding my operation wherever I can see an opportunity, and I think there has been a lot of work done downtown by the Chamber of Commerce groups and other groups in working for additional parking.

Mr. Medved: There's a lot of capital available in this country for offstreet parking when it's feasible, but I think the group that worked on this downtown found, or came to the same conclusion that some of us have, that additional parking in the proportion that is talked about is not feasible at this time. The only other alternative is to subsidize this. It can be subsidized privately, which is being done now downtown, or it can be subsidized with the taxpayers money which was talked of before. Now this parking that's talked of here is roughly 1,000 to 1,700 spaces. In my estimation, and the people I represent, this much parking is not economically feasible. This survey points out that people use that as one of the prime objections, parking; but I don't believe that has been defined. What are we talking about? When you walk up and ask someone on the street what they think about parking they say, "Well, there's not enough parking." Where? Are they talking about at the curb, in front of the store? Is there not enough street parking, or is there not enough parking period? I don't think this demand for parking has ever been analyzed in Tacoma thoroughly to find out where it is needed, how much is needed, and what kind of parking is needed. Parking covers a broad territory. So some of these figures that you get of a certain percentage of people who use parking as one of the reasons for not coming downtown, covers a multitude of sins. I would state, from my own experience, that about 75% of those people are talking about parking on the street at the curb in front of the store where they want to go. Getting back to the feasibility of this additional parking, I think this has a bearing on all the citizens of Tacoma because, in my opinion and that of the group I represent, this much parking will not support itself, and will not be economically feasible. It was brought out here that under the State Law that this land that is cleared and designed for parking will have to be put up for bids by private operators. But if it isn't economically feasible, then there aren't going to be any takers. But it's already condemned, it's cleared, it's already set aside for parking -- what are we going to do with it? Somebody's going to have to operate it. I don't think we can convince anyone in this room that the City can operate that at a profit where private enterprise can't. So it's a foregone conclusion that it's going to have to be separated from that Urban Renewal Plan. This is adding an additional burden to the General Fund, which I don't need to tell you gentlemen, is not in the best shape. Another thing, we're talking about 1,700 spaces. I think this is only part of it. There's a lot of this land that's slated for clearance downtown that is not going to be sold, at least not in the very near future. There is going to be cleared land in the downtown area. What are we going to do with it? We can't move it, we must use it for parking. There's going to be more and more subsidized parking through these cleared areas that can't be disposed of. So I can see what this thing might turn into where we have parking running out our ears downtown, and the taxpayers and the General Fund subsidizing this in order to keep it going. Of course, those of us who are in the business certainly can't survive with that type of competition. It's going to force some of us or all of us out. We're at the point where we're going to have more open areas just sitting there, and somebody's going to have to do something about it. I just wanted to point out a few of these things.

Mr. Medved: As far as the feasibility of the parking is concerned, I think it should be given proper consideration. I think it's a big issue and entails a lot of land areas in the downtown area. My only hope is that the rest of this program is given a little more thought than the parking aspect or I wouldn't bet too much on the feasibility of any of it.

Mayor Tollefson: Thank you, Mr. Medved.

Councilman Steele: Mr. Mayor. Mr. Medved's attention should be directed to the traffic planning study made by Wilbur Smith & Associates, on page 43 through page 49. It relates to that circumstance, the matter of phasing, and the matter of their investigation tabulations and you are free to examine my copy anytime you want to.

Mr. Medved: I'm familiar with that. But I don't think that survey is necessary for this type of project.

Councilman Cvitanich: We had a Barton Survey Report down here on traffic feasibility and it took these fellows and the Association to come out with some statistics and repudiate it, and I'm sure we could do it again if need be.

Councilman Steele: Well, did they repudiate it, or did they just make statements?

Councilman Cvitanich: They had statistics.

Councilman Steele: Well, you always have statistics.

Mr. Carlbon: Mr. Mayor.

Mayor Tollefson: Now we're ready. Sit back and relax. Mr. Carlbon?

Councilman Steele: Are you going to talk to us, Mr. Carlbon, or to the people?

Mr. Carlbon: To the Council. I should be allowed to speak from the same position as Mr. Maffin. My name is Henry Carlbon, and I live at 4115 North 18th Street. Mr. Mayor, may I introduce myself to the audience before you do. I'm a resident of the City of Tacoma for 52 years, and a taxpayer, not a very big one. This isn't the first Council I've seen. I saw the one before that, and I saw the one before that.

Mayor Tollefson: And the one before that.

Mr. Carlbon: And so, even the Tribune, they admitted that in the last election I was one of the best informed candidates that ever ran for office. I didn't want the job, believe me, -- I wouldn't sit on this Council, it's impossible.

Mr. Carlbon: I'm going to start off, and I'm pretty sure faces are going to get red, and I may step on somebody's toes, and somebody's going to get hurt. First of all, I'd like to compliment the City staff and the Commission, and committees that have been appointed, on their presentation. I didn't know that Tacoma was as bad as it is; I thought it was a nice town compared to others, and I've lived here 53 years. But I also want to point out at the same time, that in these reports remember this -- any committee or commission, they're appointed, and the right to appoint is the right to promote, the right to get the kind of report you want. And as far as the staff is concerned, if you understand our City Charter, the City Manager is completely in control. Every member of that staff is under his thumb. They either do what he tells them to do they are out. Now, then, this is the darndest thing that I've ever seen -- this form of government and the whole darn works, because I mean it's impossible. I want to say this: The history of liberty is the history of limitation of government power, not the increase of it, and we've got a lot of government in the City of Tacoma. There is also another thing that I'd like to quote: The most certain test by which we judge whether a country is really free is the amount of security enjoyed by its taxpayers. We've lost all the rights in the City of Tacoma under this form of government.

Now, we'll get down to this urban renewal. There is an urban renewal law, a Federal law; there is a State Urban Renewal Law, but as far as the City of Tacoma is concerned there is no urban renewal law, as far as the people have a right to say whether they want it or not. You see, I've always taken the position that any bond issue that the people have to pay for, they should have the right to say whether they want it or not. We've lost that right with this form of government. When they can issue bonds from the inside levy

Now, there isn't a thing in our City Charter that says there shall be an urban renewal department. It says we shall have a planning department and other things are outlined. It doesn't say this -- that we just walk into a thing with twenty men right now, and possibly more eventually because it's going to get pretty big. Then we have this: Director of Urban Renewal, Assistant Director of Urban Renewal, Development Officer, Real Estate Officer, Land Acquisition Officer, Community Services Officer, Account Clerk. And that's only a few of them. These are the only ones that have to be bonded. This is what it cost so far in the 1962 report: It has cost a total of \$81,467.26 without the approval of the taxpayers of the City of Tacoma. Salaries and Wages: \$71,780. Maintenance and Operation: \$10,000. Employee benefits, contractual services, material and supplies, and other expenses, and Capital Outlay, too -- no, that isn't Capital Outlay.

Mr. Carlbon: Now, understand this. This is what urban renewal is. Government is made by the people. We did -- we voted for this form of government, and I say we think we made a mistake, even though I was forced to sign it. But we were pretty well brainwashed by the News Tribune to accept this form of government, and we got it, and we got to live with it until we get rid of it. But the thing is the State Law is made up in such a way that it will take us 6 to 8 years, even if we start today, to get rid of it. But first of all we've got to call the freeholders.

Mayor Tollefson: Mr. Carlbon, will you please confine your remarks to the Council. This is a public hearing, and the Council wants to determine from the witnesses whether or not this is a good thing for us.

Mr. Carlbon: I don't think it is.

Mayor Tollefson: Well, you talk to the Council. That's what we're having the hearing for. Mr. Medved brought out a very good point.

Mr. Carlbon: Now, here's what the urban renewal is. It's a group -- it's the right of a group to go ahead and condemn property, to take it away from the taxpayer. Now, remember, the government is made up by the taxpayers, and that government then is its servant, not its master. Second, that then they take property, my property, any business in town away from the owner -- this is what it means -- that a man and his wife can work all their lives and finally acquire a piece of property, and somebody wants it. The City steps in and takes it away from them, through the right of eminent domain or just like we've heard, through blight or something like that. And in these transactions the appraisers are appointed by the City Manager or the City Council, and they go in and appraise the property. And in these transactions if there is a gain on it, it should belong to the original owner, but it doesn't. You have to accept what their figures are, or take them into court; then you have to hire an attorney to fight the thing. Then he's going to lose anyway. But if there is a gain, then it belongs to that owner of that property. But if it's a loss it's a cost to all of the taxpayers. Now, urban renewal started off to be one thing, but there wasn't enough money in it for the financiers and the banks and the Federal Savings and Loan and all the rest of it -- No, so we had to go into this thing, urban renewal, taking property. Let me find out something. Encouragement of private enterprise. This is the Urban Renewal Law that was passed in 1957. How it snuck into that State Legislature is beyond me, because it takes the rights away from the people. In the last State Legislature there was another bill presented and I want to read it to you:

"An Act relating to urban renewal, and adding a new section to Chapter 42 Laws of 1957, Chapter 35.81." This was presented by Mr. Dore, Mr. Talley, and Mr. Rider, and I'll tell you who they are.

"There shall be added in Chapter 42, Laws of 1957, Chapter 35.81 RCW, a new section as follows: If a municipality desires to sell, lease or otherwise transfer any real property, or any interest therein that it does acquire by an urban renewal project in an urban renewal area, to a public body, to any institution of higher learning for non-profit, benevolent or charitable corporation or association, to any public or charitable hospital, to any owner of property within an urban renewal area whose property was not acquired for an urban renewal project therein, so that such owner may acquire the necessary abutting land from the municipality or urban renewal agency, or to comply with the requirements of an urban plan for an urban renewal area, it may do so for such sum as agreed upon by negotiation without competitive bidding, notwithstanding any other provisions of this chapter, 35.81. The sum agreed upon shall be no less than the fair value as established by competent appraisers for uses in accordance with urban renewal planning. But the sum may be less than the actual cost of acquiring and preparing such property for development. Such a sale, lease or transfer of property may be made only after public hearing has been held, in the County in which the land is situated, by the local governing body, and only after the local governing body has authorized such disposal under procedures of RCW,"etcetera.

Now you see this is the joker hidden in this one, that property can be acquired by negotiated bidding, I mean, negotiations without competitive bidding. Now, what does that mean? And at costs less than it cost the taxpayer to acquire the property? Isn't that a beautiful setup for somebody that wants to take a chunk of this land over here? Look across the street. There's a bank over there, and I'm sure that they would like to have a piece of property on either side of them -- they can get it by negotiated bidding. Nobody knows what the negotiations are or anything else. May I ask one thing? Who is going to be the watchdog in this urban renewal? There is nobody here from the Federal government now listening to this public hearing. I'm pretty sure that my protests won't be sent in and the people who protested in the hearing won't be sent in. It will only be the reports of the committees and the staff. They're compelled to do what they are doing.

Now, in regard to private enterprise. I don't think it's been fully looked into yet. Now let's look at what this is, on that. How many locally owned businesses are there? There aren't too many that amount to much. But there are these big chains, and what they

want us to do -- you see, the renters down there, they're all for this, but the property owners they're hesitating, after all, they'll lose their property. So why should we go to work and enter into this thing, a fight between let's say outside ownership and chains. I don't think that we should. Now, they're building this new place on 38th Street, and the paper says the first year they'll lose 10%, and possibly the next year they'll lose 25%. So they go ahead with this, and some other firm will come in and locate and buy a block up on 'K' Street and put in another place like that, and then there would be another 50% of the retail sales lost downtown. Now when the City of Tacoma was first built we did locate on a hill down there, and whether we should continue trying to support that hill -- I notice there are a lot of ladies that are afraid to drive down those hills, they don't like to go downtown. And you can't possibly force people in there, even if you run all the buses right down on 11th and Broadway, and make all the people go down there. I don't know, I think that I'd hesitate before I'd go any further into this.

Now, I'd like to ask Mr. Maffin a question. Just where do we set financially now with the government? Do they owe us, do we owe them, or what?

Mayor Tollefson: In which project?

Mr. Carlbon: In the whole urban renewal thing, Center Street, Fawcett Street . . . What do we owe right now?

Mayor Tollefson: What do we owe to the Federal government?

Mr. Carlbon: What is our financial position right now in regards to the Federal government? Here is a resolution Number 17379 that you ask for a Loan and Grant of \$432,151. Where do we set right now financially in the City with the Federal government? How far are we involved?

R. W. Maffin: We have outstanding in Federal securities about \$1 million in private bonding in the Center Street Project. We have outstanding in the Fawcett Project, as I recall, around \$700,000. . . . \$1,700,000 total.

Mr. Carlbon: We're in so far already.

R. W. Maffin: This is how much has been expended in those two projects and to which we are now obligated.

Mr. Carlbon: How far are we into the downtown urban renewal. Are we in that in any way?

R. W. Maffin: We're into the downtown urban renewal project, if we go ahead with the project, around \$200,000.

Mr. Carlbon: But if we don't go ahead with it we don't have to pay for it.

R. W. Maffin: We don't have to pay it unless at some subsequent date you undertake that or another project.

Mr. Carlbon: This I'm going to say. Right after the Civil War there was a period of reconstruction (loud, prolonged laughter). During that period people from the North went down there - carpetbaggers

Mayor Tollefson: Mr. Carlbon, these are all delightful things . .

Mr. Carlbon: I know it. (Laughter)

Mayor Tollefson: Will you please confine yourself to the financing of the project that we are studying.

Mr. Carlbon: Now you see I feel this way, we should have a right to vote on this, although this reminds us that the City Charter doesn't say anything about this urban renewal at all. It's forced right on us, we have no vote, we have nothing to say about it. One of the councilmen here asked for an ordinance to have the people vote on it. You know he never even got a second. So evidently they don't want the people to vote on it.

I want to thank you, Mr. Mayor.

Mr. Roach: Mr. Carlbon, you made a remark that I would like to ask you about. You mentioned negotiated bidding. What do you mean by that?

Mr. Carlbon: That's what I don't know.

Mr. Roach: Nearly all urban renewal projects are by negotiated bidding, but there's nothing secret about it.

Mr. Carlbon: Because here's what the City Manager says: We want an enabling act to make urban renewal workable, and boy, that would have been workable if this bill had been passed, I'll bet. Now you understand just exactly what it means, and what could happen here. I don't agree that the City should go into the real estate business, and get the City in debt, without the taxpayers approval. I can't help it. (Applause)

Mayor Tollefson: Did the Legislature study the urban renewal bill that was passed in 1957?

Mr. Carlbon: I don't know. Were you in the Legislature in 1957?

Mayor Tollefson: I think you will find from the record that the Legislature of the State of Washington studied the bill very carefully, and I think you will find that the legislators approved the bill unanimously in both houses.

Mr. Carlbon: And I think you know, too, that our State Constitution says that private property shall not be used for private use. And even though our Supreme Court has ruled that this urban renewal is legal and all the rest of it, it's still on the State Constitution that private property cannot be used for private use. That's what the State Constitution says, regardless of what the State Supreme Court says. Of course, I'm not an attorney

Councilman Steele: Even Mr. McCormick would agree with you on that. (Laughter)

Mayor Tollefson: I think the United States Supreme Court ruled upon the Urban Renewal Law of the United States, and the State Supreme Court has ruled on the Urban Renewal Law of Washington. Those are the people who have to decide those things. I don't want to impugn the integrity of the United States Supreme Court nor the . . .

Mr. Carlbon: Well, no, no, that isn't the whole story on that. It was the 84th Congress when the Urban Renewal Act was passed.

Mayor Tollefson: Hasn't it been changed?

Mr. Carlbon: Yes, it has been changed. I feel that there is a definite hook-up between this and the bond houses of New York, because in order to get this urban renewal you got to go further in debt to get all these credits and the rest of it. We got to go into debt to go any further into debt, and that's impossible. You can't pyramid and come out of a pyramiding of debt.

Mayor Tollefson: Thank you, Mr. Carlbon.)

Mr. Carlbon: Well, I had a lot more to say but I forgot it. (Laughter) . . . (Applause)

Mayor Tollefson: Are there any other comments on this particular matter?

Mr. Webb: I am Harold Webb and I reside at 3601 North Proctor.

Mr. Mayor, I would just like to ask a question. What is the objection on the part of the City Council to putting this to a vote of the people? I'm new in this area and I don't know the background. From the remarks, I've gathered that the Council does not want to present this to the citizens for a vote.

Mayor Tollefson: Back when the law was passed, and the Urban Renewal Program went forward on the Center Street Project, there was no request at that time that it be submitted to a vote of the people.

Mr. Carlbon: Mr. Mayor, I did.

Mayor Tollefson: Alright. I wasn't here when the action commenced on Center Street, I don't believe. But since that time, of course, the Federal government and the City and the property owners, etc., have entered into contractual arrangements and agreements. And if at this particular time, after they have entered into all of these agreements, we would be in a rather precarious, or futile, position to then abandon the whole thing and there we would be set without any method of disposing of what we have already contracted. And the same with regard to the Fawcett Project. Now, with regard to whether or not you would want to put the matter of the downtown program to a vote of the people, you can see what would happen with regard to the time element in the matter of the credits that are available for the City of Tacoma. We would lose them. We might lose them, anyway, and perhaps will. But we do have to conduct a hearing to find out whether or not it is feasible. And that's the reason perhaps for no vote. Overall we would be in a fine kettle of fish with regard to these contractual obligations, and I can't tell you legally what the effect would be. I don't think we could get out of our contractual arrangements on those two projects.

Mr. Webb: Well, sir, I can appreciate the matter of the previous developments that are in Fawcett, but do I understand then that for the \$720,000 credit that we might possibly get if we go ahead with this project -- in other words, for that possibility for gaining \$720,000 in Federal funds the Council is willing to take a chance of going ahead with this program contrary to the wishes of the voters of the City. (Applause)

Mayor Tollefson: The manner in which the financing of this downtown project is now set up does not call for the voting of bonds or further indebtedness by the people -- it is not called for at the present time. The financial arrangement as set forth in the report indicates that we have credits in the escalades -- \$721,000; the Broadway Mall, utilities and movement of underground lines by the Utilities Department if the load will warrant it -- \$353,000. etc., since they do that in other areas no matter where they go. They put in your light lines, they move water mains, etc., if there is a change in the area and the load warrants it. The L.I.D. for the Mall, that would be the property owners willing to participate to the tune of approximately \$350,000. The people have already voted on and seen the need of a new fire station down in that particular area -- we would get the credit for that, and that's \$24,632, which would be worth \$50,000 in Federal matching funds, which money, by the way, you are already sending back to Washington, D. C., just by reason of your tax. The elderly housing, that would depend upon the Housing Administration going into that particular area and developing housing. There are many people, elderly people, that

want to live in the downtown area -- that would be \$191,850; tax credits, that was attempted to be explained, is \$156,000; the cash contribution of \$157,492, and the donations from the downtown property owners of \$250,000. So as far as the great big amount of money the City would spend that would come out of the General Fund just wouldn't be there -- we would not be asking for extra taxes to carry out this program. The hope would be that if this area is redeveloped, it would not continue to deteriorate and it would improve our downtown property, would increase the tax valuations of that property, which tax we would get a proportionate share of as the City, as well as the County getting its proportionate share, and the School District getting its proportionate share. As was pointed out in the report, naturally there is a risk, and what we're trying to find out in this hearing is: Is this a financially feasible plan?

Mrs. Wiborg: Mr. Mayor, you did open this meeting for the public to speak?

Mayor Tollefson: Yes, ma'am.

Mrs. Wiborg: Thank you, very much. I . . .

Mayor Tollefson: May we have your name and address, please?

Mrs. Wiborg: I know you're Mr. Tollefson. I'm Mrs. Wiborg, 4302 North 19th. I live in Tacoma. I've visited two cities in the United States, one that has had urban renewal since its inception; one that has refused urban renewal. The one city on the east coast, where I asked a friend to take me to see the city -- I wanted to see the city -- Boston, Massachusetts. I didn't want to see the pretty part of the city. I wanted to see the city; I wanted to see the downtown part, I wanted to see urban renewal. He said, "I'll take you and show you what urban renewal has done." Block after block after block of sick, sick destroyed buildings, debris, garbage -- I never saw anything so sick in my life. I was completely, for five days, very depressed. Urban Renewal, when they get around to it they put up a building, and the rent starts in those buildings at \$200 a month. I visited Dallas, Texas, which had refused urban renewal -- the most beautiful, the most progressive, the most prosperous city in America, I think, bar none. Americans haven't gotten to the place where they can't think or do for themselves.

. . . All the different people who work for the City gave their reports and it sounds as if all these terrible things just happened last month, and they decided on making this survey.

Hasn't our Fire Department, hasn't the Health Department, hasn't our Building Inspector been working all these years to see how these buildings have been? If I owned a building downtown, I'll bet you that the Marines, and the Army, and the Navy, and everybody else that could be called would be called out to see that I fixed up my building. I'm just asking this as a hypothetical question.

Now have you also thought of this? If it takes from 5 to 10 years to rebuild downtown Tacoma, that's a good long time and people are just going to move out of the downtown area and go elsewhere. I think it's a very dangerous thing, and I think our City Council should so consider it. Indianapolis turned it down flat after they had been bitten; cities clear across the country have turned it down. One city that allowed their city to vote on it, urban renewal was defeated by 100 votes, so the urban renewal people educated the people of the town; spent a lot of money educating them, and showing them the advantages of urban renewal. Then they had another vote of the city and it was defeated two to one. So people are thinking in America, we think we are -- even though we've got dishpan hands and housemaid knee. We try not to be strongminded. Thank you very much. (Applause)

Mayor Tollefson: Did your survey show how many cities had urban renewal for the benefit of the Council? In your trip, did it show how many cities had urban renewal?

Mrs. Wiborg: No, I wasn't out to find anything out about urban renewal, it just came my way.

Unidentified Voice: Are we already committed in the downtown district where we can't give the people the right to vote on it?

Mayor Tollefson: This is just a hearing we're having.

Voice: All right. Would you be willing to give the people the right to vote on it? Put it on the ballot next March?

Mayor Tollefson: What would happen with regard to this

Mr. Carlbon: Well, there's always an emergency. There was an emergency on the airport, an emergency on the ball park, emergency on this and everything else, so let's skip one emergency once and give us the right to vote on things.

Mayor Tollefson: We didn't create it, Mr. Carlbon.

Mr. Carlbon: You certainly did on the airport.

Mayor Tollefson: The people voted on the airport.

Mr. Carlbon: Yes, for \$350,000, not the additional \$200,000.

Mr. Carlbom: Alright. Would you be willing, now, these figures you just quoted -- would you say that those are the actual figures, that there will be no change from those figures and costs?

Mayor Tollefson: These, as was recorded, are the best estimates based upon the best reviews possible. It can go down and go up.

Mr. Carlbom: How high up?

Mayor Tollefson: But there are certain things that wouldn't vary.

Councilman Cvitanich: Mr. Mayor, I would like to say something. As the sponsor of an unsuccessful resolution to put it to a vote of the people, and it was mentioned why I did not bring this up before: Number one, like many of the people newly elected to the Council, I inherited the Center Street Project, so I had no other choice. I lodged my protests in regards to Fawcett by voting against it, and I feel that before we embark upon a program of such magnitude, that the people of the community should have the right to vote on the basic issue of whether they want urban renewal or not. I didn't get a second so I didn't get a chance to talk on it, but that was my position on it.

Mr. Carlbom: Mr. Mayor, I want the councilmen to consider this. I was in at the beginning of this urban renewal thing, that was three governments ago, and I was able to keep up with it as long as I didn't have to pay 50¢ a copy to find out what is going on. It now costs the taxpayers 50¢ to read an ordinance or a resolution to find out what is his business, more or less, and I couldn't afford that for a while because there were so many of these ordinances and resolutions on urban renewal that I don't know what it would run into now. But consider this, put yourself in . . . when this all happened, I went down on Center Street and I know the people that were hurt down there. And I asked them, "Has any councilman been down here and asked you any questions about it or anything else?" No councilman had come down there at all. Now in this other department here, there are people hurt in that. Put yourself in their shoes: You have more or less a going business, and it's a free enterprise system, and all of a sudden you just wipe them out, and if you don't like it then just move, that's the whole thing. I don't know, some people say it's fraudulent, some say it's communism, and some say it's Republican or Democrat or something -- but I know this, although this Council is non-partisan and elected as non-partisan, I think the majority is made up of Republicans. And all of you are talking about the terrible thing the government does and all the rest of it. When it comes down to cases and somebody can put a dollar in their pockets, they're all for it -- spending the

Federal money. I know this, that if we're going to support ownership - - you see, what makes a city is the money that comes in and stays there. It isn't the money that goes out, and when you look at it there's a couple of million of dollars going out of the state. Except for the Hogan stores, almost all the other food stores are chain, and any profit above their operating cost leaves the city. The same thing downtown. There isn't one locally-owned department store because they've been closed out. What they're doing now, you're going into keeping out more business. Supposing now, some candy outfit wanted to come in here -- I don't think Mr. Haley would like it. I know Dr. Herrmann doesn't like Medicare, or socialized medicine of any kind

Councilman Herrmann: How do you know that? (Laughter)

Mr. Carlbon: You paid \$62,000 for 50 feet; but you only paid \$50,000 for 150 acres over at the airport. I think it was a land grab. If you want to invest any more, why, let's buy another 150 acres over at the airport.

Mayor Tollefson: Thank you, Mr. Carlbon. I think that you have had an opportunity to speak.

Mayor Tollefson: Yes, ma'am.

Mrs. Scholl: May I say one more thing. It seems in summarizing that the whole thing comes down to this -- is the will of the people, is the right of the people of the City of Tacoma to vote on this issue worth \$700,000.

Mayor Tollefson: There are a lot of things that the people want to vote on, and lots of them they don't want to vote on. They ask us to serve them, and I think you will find that the Council is very conscientious. We are concerned about just the things you are talking about.

Mrs. Scholl: There's no evidence of it.

Mayor Tollefson: We're here to hear it. But where there are mistakes made in statements, it's an attempt to clarify it. People make statements from the audience sometimes that are just not entirely true. It's not a question of being false -- it's a question sometimes of some inaccuracies. Sometimes reports by our own committees have to be questioned by the Council; that's what the Council is doing now. It's to listen to these things.

Councilman Murtland: I'd like to ask you a question. Do you feel that every time a minority of the citizens of Tacoma would ask that a resolution or an ordinance be put to a vote, that it should be put to a vote?

(Interruption by Mr. Carlbon)

Councilman Murtland: Just a minute, Mr. Carlbom, I'm talking to Mrs. Scholl.

Mr. Carlbom: Yes, I'll answer it for her. (Laughter)

Councilman Murtland: I'm sure you would be happy to. Mrs. Scholl, I'm saying at this point, perhaps we know of a thousand people that might be opposed to it. Now, I imagine you could find 1,000 people opposed to about any ordinance we'd want to pass. Now, if one or two of them should come before us and ask for it to be put on the ballot, would you think it proper that we put it on the ballot? How is this issue of a different nature, particularly, than we'll say a tax or some other measure that might be necessary to take for the city?

Mrs. Scholl: I think people are becoming more and more aware of the danger of urban renewal, with Federal money and Federal control. And as these people learn and are educated, they become opposed to this thing which is enveloping our city like an octopus, like a cancerous growth that can't be stopped without an operation. Therefore, we prescribe that the operation is to put it to a vote of the people. Forget the \$720,000 which in your estimation appears to be at this moment a large amount of money. It seems to me that there are more and more people becoming aware and alarmed over this issue to the point where it would seem to be in the general interest of the public to have it submitted to a vote.

Councilman Steele: Mr. Mayor, I think that people are reading the wrong literature somewhere -- I don't know whether they're reading the facts or not. But this urban renewal, as we know it, is an amendment of the Housing Act of 1949. The Congress of the United States, the Congressmen and Representatives assembled and made these various amendments to the laws of the United States, and the State of Washington adopted enabling legislation in 1957. All we are doing is implementing a law that is already on the books. We're simply preparing and presenting programs in accordance with a law that is on the books. That's all we're doing, and there's simply nothing for the people to vote on -- we're simply implementing programs.

Mrs. Scholl: There isn't a law on the books, Mr. Steele, that says that every city in the United States has to go in for urban renewal. It's supposed to be, and Mr. Maffin himself said, that if these areas are -- McKinley Hill and I believe the other one was Larchmont --

Councilman Murtland: McCarver.

Mrs. Scholl: The question was posed to him: How will urban renewal come to these people? and he said, "If the people wish it." Well, I can assure you that I am acquainted with a number of people in the City of Tacoma who do not wish this thing and who have had it foisted off on them. People were not aware of what urban renewal was when we entered into the Center Street Project. That was entered into presumably to determine whether or not it was a feasible way of accomplishing something in the City of Tacoma. For my money, it has not proven to be a success. It may be that because it was held up awaiting the Supreme Court decision we haven't had an opportunity to determine whether it was successful or not. If this be the case, then why rush into another project when the one is just being started. Let's wait a while, and then submit it to the vote of the people.

Mr. Kahout: I am James Kahout, and I reside at 109 East 62nd Street.

Mr. Mayor, I think that something outstanding has come here from statements made by the Urban Renewal people regarding what is going to happen downtown. What can happen there is, when they go in and buy some of that property, and move the tenants to another location, whether it be South Tacoma or 'K' Street, or 26th and Proctor, those tenants will be glad to get out of the downtown area and they're going to stay in the new area. Therefore, who's going to go down there and fill those buildings, or pay the rent down there, or maintain something that's not down or where there's no business to come back down there.

Here's a good example of what urban renewal does. This little lady was approached and sold her house for \$2,750. They offered her \$1,750. Where can she go out in the City of Tacoma and buy another house for \$2,750 that she already had. Many people in the Center Street Urban Renewal went through the same thing. They lived there for years -- they were widows, old age pensioners -- they had nice little homes. Urban Renewal comes along and says, "Here -- we'll give you two, three or four thousand dollars." Oh, that's fine. But they went out and they couldn't duplicate that house for that price anywhere in the City of Tacoma. Who gave them the right to spend \$200,000 down there in a survey in the downtown area? The City Council never voted for this, did they?

Councilman Steele: Certainly we did.

Mr. Kahout: You've already given them the right. What's the use of having a public hearing here then, if you've already made up your minds that you're going to spend that money and have it down there?

Councilman Steele: We had the money granted from the Housing and Home Finance Agency to conduct the survey, to get Wilbur Smith & Associates traffic surveys, to pay for these things; to hire Horace Whitacre and his staff to make these surveys, to determine feasibility, then conduct the hearing and find out whether or not this is an area subject to blight and the application of urban renewal procedures. That's all this hearing is for.

Mr. Kahout: They determine the whole downtown area is blight, and has to be changed then, after being there some 50, or 60 or 75 years. Now exactly how do these authorities find homes so bad that they may go into that business on the same scale.

Councilman Steele: They're into that business on quite a big scale.

Mr. Kahout: I know, but then they run in competition with us private people who have to try to run a building.

Councilman Steele: No, they don't run in competition with you private people. They take care of the people in an income area that you cannot deal with, or won't deal with. Ask Mr. Bergerson, he'll tell you. Isn't that right, Harold?

Mr. Bergerson: That's right.

Mayor Tollefson: Mr. Bergerson, on that statement to the effect that the people didn't get compensated for the value of their homes, and didn't get relocated, will you tell Mr. Kahout the experience of your agency as to what took place?

Mr. Bergerson: In all cases, Mr. Mayor, where they actually negotiated to take final price, many of those thought they could not find housing in the community at prices they thought they could afford. This didn't prove to be true. In fact, most of them -- all of them -- upgraded their housing very successfully. The only one was one man, a single man, who chose not to rent at a rent that we thought he ought to pay. So I cannot say that in the 100 cases in Center Street that anyone actually suffered a hardship when he finally had to make the decision as to what he wished to do.

Mr. Carlbon: Mr. Mayor, the only reason people live in these poor housing areas is that they can't afford to live in a better place. My house compared to the City Manager's house would be considered a blighted area, and my house is 53 years old, so somebody could come along and say, "Your house is no good."

Mayor Tollefson: Mr. Carlbon. We've gone through that. You have been afforded two opportunities to speak for a protracted period of time, and you're up here monopolizing

Mr. Carlson: I know, but blighted area says whether it's residential or non-residential. And who determines what's a blighted area. Somebody from out of town who comes in here and made himself Urban Director and he says that's a blighted area, that thing's got to be cleaned out -- that's it. Put yourself in the shoes of these people that have been hurt, it doesn't only affect

Mayor Tollefson: The Fire Inspector, the Health Inspector

Mr. Carlson: I heard them all.

Mayor Tollefson: People who have worked for the City for longer than you and I have been here

Mr. Carlson: It was even worse on Stewart Avenue according to them because I have their reports, you, at that time. Boy that was terrible down there. I don't know -- I don't agree with it.

Mayor Tollefson: If there is nothing further to discuss on Urban Renewal, we will continue the hearing for a week, and we will go on with the regular order of business. We still have a regular agenda, about four pages long.

Councilman Price: Mr. Mayor, I move that the hearing be continued for one week.

Councilman Steele: Second.

Mayor Tollefson: It has been moved and seconded that this hearing be continued for one week. All those in favor signify by saying "aye". Opposed. Motion carried.

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PETITION.

Petition submitted by Dr R. C Magnuson requesting the rezoning of the property located at No. 39th & Gove from an "R-2" to an "R-3" District

Petition referred to the Planning Commission.

RESOLUTIONS

Resolution No. 17585:

Accepting certain offers to sell real property situated within the Center St Urban Renewal Project No. Wash. R-1

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

The Resolution was passed by voice vote.
Ayes 7; Nays 1, Cvitanich; Absent 1, Bott.

Resolution No. 17586:

Accepting certain offers to sell real property situated within the Fawcett Urban Renewal Project Wash. R-3.

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

The Resolution was passed by voice vote.
Ayes 6; Nays 2, Cvitanich, Finnigan; Absent 1, Bott.

Resolution No. 17587:

Authorizing the sale and removal of the residence at 702 So. 28th St. within the Center St. Urban Renewal area Contract No. U. R. 11639 to Cooney & Churchill on its bid of \$1,532, tax exempt, being the highest and best bid.

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. 17588:

Awarding contract to E. J. Rody & Sons for Improv. No. 3049-M-2 on its bid of \$81,802.55 including sales tax on items 34 thru 57, which is determined to be the lowest and best bid.

Mr. Finnigan 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. 17589:

Fixing Monday October 14, 1963 at 4:00 P. M. as the date for hearing on L I D 4732 for paving on So. 76th from Alaska to Sheridan and other nearby streets.

Mr. Steele moved that the Resolution be adopted. Seconded by Mr. Cvitanich.

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

Resolution No. 17590.

Establishing a ten-minute parking zone in front of Kenny's Grocery Store at 1554 Market Street.

Dr. Herrmann 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. 17591:

Authorizing an agreement with Lewis County for the sale of 10,000 cubic yards of rock per year.

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

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

FIRST READING OF ORDINANCES:

Ordinances No. 17423:

Adding a new chapter to the Official Code of the City relating to the fixing of rates and charges in connection with the Tacoma Transit System and establishing the fares, rates & charges presently in force as to school fares, additional fare - outside City limits - discounts granted - and charter service charges.

Mayor Tollefson asked if there was anyone present who wished to be heard at this time. He stated that, due to the late hour, the Council would defer discussion on this matter until next week and then have a full hearing, if they so wished.

The Ordinance was placed in order of final reading.

Ordinance No. 17424:

Raising the present fares of the Tacoma Transit System for students from 15¢ to 20¢ cash and providing for identification of students.

Mrs. Price pointed out the student fare was for after school, not for during school hours.

The Ordinance was placed in order of final reading.

Ordinance No. 17425:

Raising the regular or adult fares on the Tacoma Transit System from 25¢ cash-5 tokens for \$1.00- to a straight 25¢ cash fare.

The Ordinance was placed in order of final reading.

Ordinance No. 17426:

Vacating the east-west alley in the area bounded by 6th Ave., So. 8th, Shirley and Winnifred Sts. (petition of Reyier & Wick).

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The Ordinance was placed in order of final reading.

Ordinance No. 17427:

Amending Chapter 13.06 of the Official Code and adding a new section 13.06.050-10 to include property on the S. W. and S. E. corners of So. 48th &

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M Sts. in an "R-3" Two-Family Dwelling District. (petition of B. H. Peterson & Planning Com.)

The Ordinance was placed in order of final reading.

Ordinance No. 17428:

Authorizing the condemnation of property located in the vicinity of 40th West and Alameda for the purpose of constructing the Alameda Distribution Substation.

The Ordinance was placed in order of final reading.

Ordinance No. 17429:

Authorizing the condemnation of property in the area located south of Calvary Cemetery on So. 74th Street for the construction of the Southwest Distribution Substation site.

The Ordinance was placed in order of final reading.

Ordinance No. 17430:

Amending certain sections of Chapter 5.46 of the Official Code of the City relating to the Housing Code.

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The Ordinance was placed in order of final reading.

FINAL READING OF ORDINANCES:

Ordinance No. 17407 (postponed from the meeting of August 13, 1963)

Amending Section 1.12.420 of the Official Code relating to the classification of Airport Watchman-Maintenance & Safety Officer.

Mr. Cvitanich asked Mr. Sankovich the anticipated number of people to be employed.

Mr. Sankovich said in 1964 they anticipated employing an additional 1 1/2 to 4 people.

Roll call was taken on the Ordinance resulting as follows:

Ayes 6; Nays 2, Cvitanich and Finnigan; Absent 1, Bott.
The Ordinance was declared passed by the Chairman.

Ordinance No. 17415:

Appropriating the sum of \$22,379.00 or so much as may be necessary from the General Fund for the purpose of purchasing and replacing equipment recently lost by the Fire Dept. in the fire at the Port of Tacoma piers.

Roll call was taken on the Ordinance resulting as follows:

Ayes 8; Nays 0; Absent 1, Bott.

The Ordinance was declared passed by the Chairman.

Ordinance No. 17416:

Providing for the improvement of L I D 1011 for the installation of fire hydrants on 6th Ave. between Woodlawn & Mildred Streets.

Roll call was taken on the Ordinance resulting as follows:

Ayes 8; Nays 0; Absent 1, Bott.

The Ordinance was declared passed by the Chairman.

Ordinance No. 17417:

Providing for the improvement of L I D 4731 for paving in the vicinity of 6th Ave. & Orchard Sts., also No. 18th & Lenore Drive.

Roll call was taken on the Ordinance resulting as follows:

Ayes 8; Nays 0; Absent 1, Bott.

The Ordinance was declared passed by the Chairman.

Ordinance No. 17418:

Approving and confirming the assessment roll for L I D 3548 for storm drains & sewers on So. Puget Sound Ave. from So. 37th to So. 38th St.

Roll call was taken on the Ordinance resulting as follows:

Ayes 8; Nays 0; Absent 1, Bott.

The Ordinance was declared passed by the Chairman.

Ordinance No. 17419:

Approving and confirming the assessment roll for L I D 6792 for street lighting on No. 42nd & 43rd from Orchard to Highland; No. 44th from

Orchard to Shirley & Winnifred to Highland Ave.

Roll call was taken on the Ordinance resulting as follows.

Ayes 8; Nays 0; Absent 1, Bott.
The Ordinance was declared passed by the Chairman.

Ordinance No. 17420:

Approving and confirming the assessment roll for L I D 6793 for street lighting in the vicinity of East 72nd & Roosevelt Ave.

Roll call was taken on the Ordinance resulting as follows:

Ayes 8; Nays 0, Absent 1, Bott.
The Ordinance was declared passed by the Chairman.

Ordinance No. 17421:

Approving and confirming the assessment roll for L I D 6794 for street lighting on Fawcett from So. 4th to Jefferson and on 6th Ave. from Fawcett to St. Helens Ave.

Roll call was taken on the Ordinance resulting as follows:

Ayes 8; Nays 0; Absent 1, Bott.
The Ordinance was declared passed by the Chairman.

Ordinance No. 17422:

Approving and confirming the assessment roll for L I D 6797 for street lighting on Pearl St. from So. 10th to So. 16th Street

Roll call was taken on the Ordinance resulting as follows:

Ayes 8; Nays 0; Absent 1, Bott.
The Ordinance was declared passed by the Chairman.

UNFINISHED BUSINESS:

The Director of Public Utilities presents the assessment roll for L I D 5366 for water mains in No. 27th from Starr to No. 11th St.

Mr. Haley moved that Monday, Sept. 9, 1963 at 4.00 P. M. be fixed as the date for hearing on the assessment roll for L I D 5366 Seconded by Mr. Cvitanich. Voice vote taken . Motion carried.

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REPORTS:

Report from the Finance Dept. for the month of July 1963.

Placed on file.

COMMENTS:

Mr. Steele stated, in regard to the report and recommendation from the Sub-committee on Minority Housing, it is the City Council's desire to consider the matter for the first time as every communication and then determine the nature and type of Ordinance that will be required. The Legal Dept. at present is correlating information for the City Council, he added. ²⁷⁶
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Mr. McCormick, City Attorney, stated a member of his staff is examining several Ordinances that have been in effect throughout the Country, together with information from the State Board of Discrimination. This will be submitted to the City Council as soon as possible. He stated they were not in a position to draft an Ordinance at this time without the direction of the Council.

Mr. Muse, President of NAACP, read into the record a communication requesting an Open Housing Ordinance and asked when the matter would be placed on the Agenda.

August 20, 1963

Mayor Tollefson and
Members of the City Council

The Executive Committee of the Community Development Advisory Committee submitted to you today a report recommending the following:

1. That an Open Housing Ordinance be passed as proposed by the Sub Committee on Housing and Social Welfare.
2. That a Human Rights Commission be established to advise the Mayor and City Council on minority problems.

It is requested by the National Association for the Advancement of Colored People and Tacoma Citizens that the council at this time provide the citizens of Tacoma with the following actions:

1. We would like an estimate of the time required for the preparation of this ordinance.
2. We understand any individual councilman can make this request. We ask that the request be made now.
3. We ask that this matter be on the agenda at the end of this reasonable time, and ask that this be fixed at this meeting.

We feel that two (2) weeks is sufficient time to prepare this ordinance

/s/ William M. Muse
President
NAACP

After some discussion, Mayor Tollefson stated, the Council would study the material and an Ordinance would be drafted for the meeting of September 10, 1963

Mayor Tollefson stated a Resolution has been received from the Pierce County Democratic Central Committee, signed by J Bruce Burns, Chairman, he stated copies will be made for the Council.

There being no further business to come before the Council, upon motion duly seconded and passed, the meeting adjourned at 9:35 P M.

WAM Tollefson

Mayor of the City Council

Attest: *Josephine Meeter*

City Clerk