

ORDINANCE NO. 557

**AN ORDINANCE OF THE CITY OF UNIVERSITY PLACE, WASHINGTON,
ESTABLISHING A REVITALIZATION AREA AND AUTHORIZING COMMUNITY
REVITALIZATION FINANCING PROGRAM APPLICATION**

WHEREAS, In 1999, following a series of public meetings, design workshops and public processes, the City adopted a Town Center Plan that establishes a vision for redevelopment of the City's central business area, including core goals and principles.

WHEREAS, In 2002, the City Council adopted an Economic Development Strategic Action Plan for 2002-2007, and established an Economic Development Task Force to promote business growth and development within the City's business districts to ensure an economically sustainable future.

WHEREAS, The Economic Development Task Force identified as one of their goals the creation of University Place Town Center, with a mix of residential, commercial, cultural, community, public and open spaces.

WHEREAS, Beginning in 2003, the City purchased over 10 acres of land in the Town Center District for purposes of facilitating the development of infrastructure improvements to support the more intensive uses of properties within the District.

WHEREAS, The City is pursuing the redevelopment of properties that it owns in the Town Center District as a mixed-use neighborhood that creates an integrated retail, office and residential urban center consistent with the City's Comprehensive Plan vision and Town Center design guidelines (the "Project").

WHEREAS, The City has contracted for various market and architectural studies to determine the feasibility of redeveloping the Project site.

WHEREAS, in 2007 and 2008, the City unsuccessfully competed in CERB's competitive process for LIFT funds.

WHEREAS, The City anticipates that the Project, upon completion, will provide retail, commercial and public educational uses, residential living units, open space and plazas, with parking for visitors and residents along internal and adjacent streets and in structured parking garages located below or behind the buildings.

WHEREAS, The City is competing in a highly competitive arena for the attention of developers and national retailers who might otherwise chose to invest in states with tax-increment financing and lower costs.

WHEREAS, The City has obtained over \$6 million in Federal grants to help in the design and construction of a new intermodal transit facility and related infrastructure improvements, facilitating the efficient movement of the public within the Town Center District and supporting the development of the Project.

WHEREAS, The City has dedicated substantial resources toward design and development of infrastructure improvements related to the Project and the Local Revitalization Financing Program will allow the City to complete important planning, design, construction, and infrastructure improvements.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE,
WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:**

Section 1. Findings Adopted. The City Council hereby adopts as Findings, all required findings included in 2SSB 5045, including:

- a. That the local revitalization financing:
 1. Will not be used for the purpose of relocating a business from outside the revitalization area, but within Washington state, into the revitalization area unless convincing evidence is provided that the firm being relocated would otherwise leave the state;
 2. Will improve the viability of existing business entities within the revitalization area;
 3. Will be used exclusively in areas within the jurisdiction of the City deemed in need of either economic development or redevelopment, or both, and absent the financing available under the local revitalization financing, as expressed in 2SSB 5045, the proposed economic development or redevelopment would more than likely not occur.
 4. Will not be used to finance costs related to taxes collected under RCW 82.14.048 or 82.14.390 in a prohibited manor.

- b. That the public improvements proposed in the financing, in whole or in part using local revitalization financing, are reasonably likely to:
 1. Increase private investment within the revitalization area that will be consistent with the countywide planning policy adopted by the county under RCW 36.70A.210 and the City's comprehensive plan and development regulations adopted under chapter 36.70A RCW;
 2. Encourage private development and increase the fair market value of real property within the revitalization area;
 3. Increase employment within the revitalization area; and
 4. Generate, over the period of time that the local sales and use tax will be imposed, increases in state and local property, sales, and use tax revenues that are equal to or greater than the respective state and local contributions made under local revitalization financing.

- c. That the City has received a letter of intent from a private developer relating to the developer's plans for the development of private improvements within the revitalization area.

Section 2. Revitalization Area Adopted. The City Council hereby designates a Revitalization Area named "Town Center Revitalization Area" to include properties extending from 35th Street south to 40th Street along Bridgeport Way and Drexler Drive within the greater Town Center District as attached in Exhibit A hereto.

Section 3. Public Improvements. The City intends to use the local revitalization financing program funds to repay a general obligation bond in the amount of \$7.5 million, the proceeds of which will finance public improvements as defined by 2SSB 5045. The proposed public and private improvements are estimated to cost more than \$15 million, of which, \$7.5 million is anticipated to be financed by local revitalization financing.

Section 4. Dates. The local tax allocation revenues and other public revenues are anticipated to be used for local revitalization financing over a twenty-five year period and are anticipated to be imposed beginning on July 1, 2010.


Section 5. Financing. The City anticipates imposing a sales and use tax of .0024, in accordance with 2SSB 5045 and as estimated by the Department of Revenue. The imposed sales and use tax will provide financing to the City in accordance with 2SSB 5045 but will result in no net increase to the taxpayers. All local governments noticed by the City in accordance with 2SSB 5045 have opted out as participating taxing districts.

Section 6. Entry into Public Record. This Ordinance is hereby immediately entered into the public record upon passage by the City Council.

Section 7. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.


Section 8. City Manager Authorization. The City Council does hereby authorize the City Manager to apply for the local revitalization financing and to execute all documents necessary to effectuate the successful application of the local revitalization financing program.

PASSED BY THE CITY COUNCIL ON AUGUST 24, 2009.




Linda Bird, Mayor

ATTEST:



Emy Genetia, City Clerk

APPROVED AS TO FORM:



Jeanne Parker, City Attorney

Publication Date: 08/26/09

Effective Date: 08/31/09

Exhibit A
Town Center Revitalization Area

