

ORDINANCE NO. 498

**AN ORDINANCE OF THE CITY OF UNIVERSITY PLACE, WASHINGTON,
ESTABLISHING A REVENUE DEVELOPMENT AREA AND AUTHORIZING
COMMUNITY ECONOMIC REVITALIZATION BOARD LOCAL INFRASTRUCTURE
FINANCING TOOL COMPETITIVE PROGRAM APPLICATION**

WHEREAS, In 1998, the City adopted a Comprehensive Plan and Land Use Map that called for the creation of a town center.

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, 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, The City has entered into a Disposition and Development Agreement with its preferred developer, Uptown Center Development, LLC, for the development of the Project.

WHEREAS, The City anticipates that the Project, upon completion, will include between 800,000 to 1,400,000 square feet of retail, commercial and public educational uses, approximately 400 residential living units (including condominiums, townhouses, lofts and live/work 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 public elements within and near to the proposed development would include a new City Hall, a new public library, a public park and the public safety building.

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, 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 Infrastructure Financing Tool ("LIFT")

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 the following Findings of Fact:

a. The projects contemplated to be completed with LIFT funds include design, construction and other costs associated with public improvement projects eligible under the LIFT Program to be constructed within the Revenue Development Area ("RDA") consistent with the City's Comprehensive Plan. The project will include the following improvements:

- 200 stall transit garage;
- 1,200 stall public parking garage;
- park, open space and public art improvements;
- enhanced pedestrian sidewalks, cross-walks and a public plaza;
- grid-roads, streets, street lighting and traffic control improvements; and
- water, sewer, storm water, gas, electric and other utility infrastructure improvements.

b. The funds provided through the LIFT program will be used by the City, beginning on January 1, 2008, over a 25 year period to repay a general obligation bond to be issued by the City, the proceeds of which will be used to construct \$15 million in public infrastructure improvements within the RDA. The LIFT funds will be matched by \$15 million in local funds, which includes \$5.25 million in Federal grants and \$9.75 million in City funds.

c. The RDA shown in Exhibit A hereto consists of public rights-of-way and contiguous parcels, and has not been drawn to purposely exclude parcels where economic growth is unlikely to occur.

d. The RDA is less than twenty five percent of the City's total assessed value of taxable real property.

e. The RDA does not include any part of an increment area created under RCW 39.89 and the LIFT funds will not be used in any relation to public facilities funded with taxes under RCW 82.14.048.

f. All of the properties within the RDA boundaries are owned by the City and subject to a Disposition and Development Agreement between the City and UPtown Center Development Group LLC, the City's Town Center Project preferred developer.

g. With the exception of one business, University Place Styling Salon, and City Hall, all of the property within the RDA boundaries are vacant. Establishment of the RDA is not anticipated to have any impact on small businesses or low income housing.

h. Development of the Project and anticipated redevelopment throughout the Town Center District is consistent with numerous federal, state, regional and municipal plans, policies and initiatives. Among them are the: Federal Transit Administration's "Livable Communities Initiative;" Environmental Protection Agency's "Smart Growth Program;" National Conference of State Legislatures' "Policies for Healthier Communities;" State of Washington's "Growth Management Act;" Puget Sound Regional Council's "Vision 2020;" Pierce County's Countywide Planning Policies; and the City's Comprehensive Plan and "Economic Development Strategic Action Plan."

i. The public improvements to be financed by bonds to be repaid in part by LIFT are expected to facilitate the development of the Project (including the retail, office, residential,

entertainment and lodging components) and improve the economic vitality of existing businesses throughout the City's Town Center District. The LIFT funds are not expected to be used for the purpose of relocating an existing Washington business from outside the RDA to inside the RDA.

j. The public improvements to be financed by bonds to be repaid in part by LIFT will likely result in over 1,000 local construction, trade and related services jobs, and over 1,200 new permanent office, retail and service jobs.

k. The Project facilitated by the public improvements to be financed by bonds to be repaid in part by LIFT is reasonably likely to generate over the 25 year period state excise tax allocation revenues and state property tax allocation revenues derived from the RDA that are equal to or greater than the representative state contributions made.

l. The City mailed notice of the public hearing on designation of the RDA, thirty days prior to the date of the public hearing, to over one hundred people, businesses and organizations, including all property owners adjacent to the RDA, University Place Styling Salon (the only business within the RDA), Pierce County, Tacoma Public Utilities, the Economic Development Board of Tacoma-Pierce County, the Tacoma-Pierce County Chamber of Commerce, community groups and all City Commission and Committee members. The City also published notice of the public hearing in the Tacoma News Tribune and posted notice of the public hearing at locations around the property, at the public library, at the public safety building, at City Hall and on the City's reader board on Bridgeport Way, at least 10 days prior to the public hearing.

m. All other conditions of Section 205 of the Act have been met and all of the findings in Section 206 of the Act are complete.

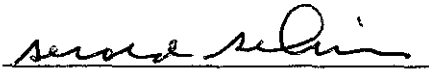
Section 2. Revenue Development Area Adopted. The City Council hereby designates a Revenue Development Area as attached in Exhibit A hereto.

Section 3. Entry into Public Record. This Ordinance is hereby immediately entered into the public record upon passage by the City Council.

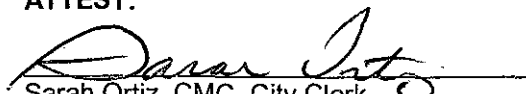
Section 4. Effective Date. This Ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

Section 5. City Manager Authorization. The City Council does hereby authorize the City Manager to apply for the LIFT Competitive Program and to execute all documents necessary to effectuate the successful application contemplated herein.

PASSED BY THE CITY COUNCIL ON JUNE 4, 2007


Gerald Gehring, Mayor

ATTEST:


Sarah Ortiz, CMC, City Clerk

APPROVED AS TO FORM:



Jamean Parker, City Attorney

Published: 06/06/07
Effective Date: 06/11/07

Revenue Development Area



Place

Place

Place

Place

place

Project Components

- Intermodal Facility
- Transit Connections
- Town Square
- Streetscape
- Library
- City Hall
- University Building
- Specialty Retail
- Restaurants
- Cinema
- Hotel
- Office
- Residential
- Medical Dental
- Condominiums

