

## RESOLUTION NO. 715

### **A RESOLUTION OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF UNIVERSITY PLACE AND SEB, INC. FOR UNIVERSITY PLACE TOWN CENTER LOT 10**

WHEREAS, the City has been engaged in a planning and development process for many years to create a visually attractive mixed-use town center to serve as the civic and commercial focal point of the community. In 1998, the City adopted a Comprehensive Plan and Land Use Map that called for the creation of a town center; and

WHEREAS, in 1999, following a series of public meetings, design workshops and public processes, the City adopted a Town Center Plan that established a vision for redevelopment of the City's central business area and which includes the following core objectives and strategies: (i) create a high quality comprehensive integrated retail, commercial and residential anchor for downtown University Place; (ii) create a special identity and gathering place for the City and its residents with access to downtown businesses; (iii) create a visually attractive and pedestrian oriented space in the downtown area; (iv) enhance public security and provide City residents with additional housing opportunities through the introduction of multi-family residential buildings in downtown; (v) encourage tourism; and (vi) revitalize the business district by creating a development which will improve the financial stability and general economic vitality of the City, preserve jobs, attract additional private investment in downtown and generate additional sales and property tax revenue for the City; and

WHEREAS, in 2002 and again in 2007, the City Council adopted a five-year Economic Development Strategic Action Plan; the Council also established an Economic Development Task Force to promote business growth and development within the City's business districts to ensure an economically sustainable future. The Economic Development Task Force and the Strategic Action Plan identifies as one of the goals of the City the creation of University Place Town Center, with a mix of residential, commercial, cultural, community, public and open spaces. The development concept for Town Center is a mixed-use neighborhood that creates an integrated retail and residential center in the City; and

WHEREAS, pursuant to Ordinance Nos. 409, 469, 470, and 532, the City amended its Comprehensive Plan to provide for a Town Center overlay zone, adopted design standards and guidelines for the overlay zone and established a Planned Action Area within the overlay zone. This area consisted of 24 lots of real property totaling approximately 31.7 acres of size located on the east and west sides of Bridgeport Way W. roughly between 35th Street and 38th Street. The City also adopted various amendments to its zoning code pertaining to height, density, setbacks and the application of design standards and guidelines in the overlay zone. The City completed and recorded a Binding Site Plan in 2007, which was amended in 2009, under Auditor's Recording No. 200909185003; and

WHEREAS, in furtherance of the Town Center Plan, the City, over the course of several years, acquired and currently owns certain lots located within the Town Center Planned Action Area which are depicted on the Binding Site Plan and referred to as Lots 1, 2, 3, 4, 7, 8, 9, 10, 11 and 12, and Tracts A & B, and the public right of way in and about the foregoing (the "Town Center Property"). The Town Center Property was acquired by the City specifically for the development of public facilities and private commercial uses to fulfill the goals of the Town Center Plan; and

WHEREAS, since acquiring the Town Center Property, the City has diligently pursued achievement of the goals of the Town Center Plan. The City has completed major site preparation work on Town Center Property to prepare it for public and private development including construction of utilities, podium decks, more than 500 stalls of structured public parking (the "Town Center Garage"), a public plaza, public open space and street and sidewalk improvements; and

WHEREAS, in 2006, the City entered into an Agreement with the Pierce County Rural Library District for development of a joint Library and Civic Building in Town Center. The new Library/Civic Building is complete and open; and

WHEREAS, pursuant to the goals of the Town Center Plan, the City has for several years sought to convey all or portions of Lots 1, 2, 3, 4, 7, 8, 10, 11 and 12, and Tracts A & B within the Town Center Property for private investment and development. The City has conducted public request for proposal processes and listed the properties with a commercial real estate broker. One key element of the City's vision is the development of quality mixed use multifamily residential facilities within Town Center; and

WHEREAS, Developer, SEB, Inc. is a developer and operator of quality multifamily residential facilities, who in 2011, entered into an Agreement with the City to develop the Clearview Mixed Use Building on Lot 8 of Town Center, and to date has fully complied with the 2011 Agreement, and

WHEREAS Developer now desires to acquire Lot 10 of the Town Center Property including the rights to connect to, and build upon and above, the top of the partial existing public garage on Lot 10 to construct and operate an approximately 120-unit residential facility over approximately 20,000 square feet of commercial space, over approximately 290 stalls of structured parking, of which 125 stalls will be public stalls to be acquired by the City for the sum of the sum of \$1.7 million. The construction and operation of such residential facilities by the Developer would be entirely consistent with, and assist in furthering the goals of, the Town Center Plan; and

WHEREAS, as described in greater detail in the Agreement, consideration from the Developer to the City for acquisition of the Property includes the obligation to construct the Lot 10 parking garage which finishes the planned Town Center Garage, and construction of the mixed use building which completes development of the Town Center core. Additional consideration to the City is that the residential and commercial facility will bring desirable population density to Town Center which will assist in attracting other private development; and

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, AS FOLLOWS:**

Section 1. Incorporation of Recitals. The recitals are hereby incorporated herein as if set forth in full.

Section 2. Legislative Determination of Consideration. The Council of the City of University Place has considered the proposed transaction, including the consideration to the City to be provided by SEB, Inc., and payment of \$1.7 million by the City for the provision of public parking within the new Lot 10 garage, all as described in the proposed transaction documents, and hereby makes a legislative determination that the consideration for this Agreement is sufficient, appropriate and in the best interests of the public.

Section 3. Approval of Form of Documents. The City Council hereby approves execution of the Development Agreement in substantially the form of the documents accompanying this Resolution.

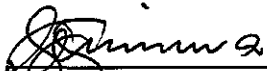
Section 4. Completion of Transaction. The City Manager is authorized to take and execute any additional measures or documents that may be necessary to complete this transaction, which are consistent with the approved form of documents attached to this Resolution, and this Resolution.

Section 5. Effective Date. This Resolution shall be effective immediately upon adoption by the City Council.

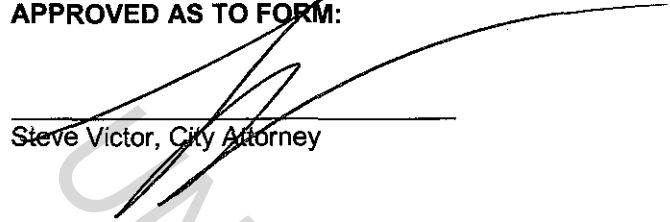
**ADOPTED BY THE CITY COUNCIL MARCH 11, 2013.**

  
\_\_\_\_\_  
Ken Grassi, Mayor

**ATTEST:**

  
\_\_\_\_\_  
Emelita Genetia, City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Steve Victor, City Attorney

UNOFFICIAL DOCUMENT