



## Legislation Passed June 24, 2008

The Tacoma City Council, at its regular City Council meeting of June 24, 2008, adopted the following resolutions and/or ordinances. The summary of the contents of said resolutions and/or ordinances are shown below. To view the full text of the document, click on the bookmark at the left of the page.

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### **Resolution No. 37509**

Amending the Rules of Procedure of the Council of the City of Tacoma to change the name of the Public Safety and Human Services Committee to the Public Safety, Human Services, and Education Committee, and updating the functions and purpose of said Committee.

### **Resolution No. 37510**

Authorizing the execution of grant agreements with the United States Department of Housing and Urban Development for the:

- 2008-2009 Community Development Block Grant program, in the amount of \$2,848,014;
- HOME Investment Partnership program, in the amount of \$1,829,405;
- Emergency Shelter Grant program, in the amount of \$126,825; and
- American Dream Downpayment Initiative, in the amount of \$14,259.

### **Amended Resolution No. 37511**

Authorizing the submittal of a grant application to the Recreation and Conservation Office, for the development of the Historic Water Ditch Trail project.

### **Resolution No. 37512**

Adding the Trade Development Alliance of Greater Seattle to the list of City Council appointments; and appointing Mayor Baarsma to serve on said Board, and Council Member Ladenburg to serve as an alternate, for the year 2008.

### **Purchase Resolution No. 37513**

Awarding a contract to:

General Fire Apparatus, Inc., on its bid of \$623,968.00, plus sales tax, budgeted from the Fleet Equipment Rental Capital Outlay Fund, for one aerial ladder truck, including selected options - Specification No. FD07-0672F.

### **Resolution No. 37514**

Authorizing the full and final settlement of Lott, et al., vs. City of Tacoma, et al., Pierce County Superior Court Cause No. 06-2-04233-1, and granting an access easement across Tacoma Power property in exchange for \$550,000, and other terms.

### **Resolution No. 37515**

Authorizing the execution of agreements with ProLogis and BNSF Railway Company for the proposed sale of surplus property, possible vacation of right of way, and granting an air space easement for a future pedestrian overpass.

**Resolution No. 37516**

Adopting the 2008 update to the City of Tacoma's Americans with Disabilities Act Self-Evaluation and Transition Plan.

**Resolution No. 37517**

Authorizing the execution of an Automatic Aid Agreement with Pierce County Fire Protection District No. 5 to provide fire services.

**Resolution No. 37518**

Authorizing the execution of Amendment No. 2 to the Cable Agreement between Click! Network and the Information Technology Department to extend the term through December 31, 2008.

**Resolution No. 37519**

Designating a vocational rehabilitation internship funded by the Washington State Department of Social and Health Services, Division of Vocational Rehabilitation, as a special project of limited duration.

**Ordinance No. 27716**

Amending Chapter 13.06 of the Municipal Code to reclassify the property located at 4314 East Portland Avenue from a "C-1" General Neighborhood Commercial District to a "C-2" General Community Commercial District, to allow dancing by patrons on the premises. (Chang Jee Kim; File No. REZ2007-40000108054)

**Ordinance No. 27721**

Accepting \$110,000 from the Metropolitan Park District of Tacoma and \$40,000 from Foss Landing, LLC; depositing in and appropriating \$150,000 from the Foss Waterway Development Authority Capital Projects Fund for the construction of a nonmotorized boat float on the Thea Foss Waterway; and authorizing the execution of an interlocal agreement with the Metropolitan Park District of Tacoma for said amount and purpose.

**Ordinance No. 27722**

Amending Chapter 1.12 of the Municipal Code, relating to the Compensation Plan, to implement rates of pay and compensation for employees represented by the Brotherhood of Locomotive Engineers, which covers three (3) budgeted employees and provides for a wage increase of 3 percent, effective July 1, 2008.

**Amended Ordinance No. 27723**

Amending Chapter 8.97 of the Municipal Code, relating to public safety at the City's official Fourth of July celebration, to authorize police officers to require persons violating the law to leave the designated "public area" during and for a period of time after the festivities; adopting criminal penalties for persons failing to obey such police orders; updating penalty provisions and code references, and declaring an emergency.

**Ordinance No. 27724**

Designating an area generally bounded by South 4th Street to the north; South 28th Street, Interstate 705, State Route 7 northbound, Wiley Avenue, and Interstate 5 to the south; Dock Street, Puyallup Avenue, and L Street to the east; and Tacoma Avenue to the west, as a Revenue Development Area; and authorizing the submittal of an application to the State Community Economic Revitalization Board for public improvements such as parking infrastructure, right-of-way and streetscape improvements.

**Ordinance No. 27725**

Amending Section 6A.110.020 of the Municipal Code to suspend the acceptance of applications for the tax exemption for all multi-family developments in the Tacoma Mall Mixed-Use Center until January 1, 2009.

**Ordinance No. 27726**

Amending Chapter 6A.30 of the Municipal Code to reduce and eventually eliminate the business and occupation tax rate for International Investment Management Services.

**Ordinance No. 27727**

Providing for the formation of LID No. 8644, for the construction of permanent alley pavement, with storm drainage, between:

- North 28th Street and North 29th Street, from Starr Street east 256 feet;
- North 8th Street and North 9th Street, from Adams Street to Proctor Street;
- L Street and M Street, from South 17th Street to South 19th Street;
- Sheridan Avenue and Cushman Avenue, from South 25th Street to South 28th Street; and
- Martin Luther King, Jr. Way and L Street, from South 25th Street to South 27th Street.

## **RESOLUTION NO. 37509**

A RESOLUTION relating to the organization of City Council Committees; changing the name of the Public Safety and Human Services Committee to the Public Safety, Human Services, and Education Committee (“Committee”); amending the functions and purposes of the Committee to include education; amending Rule 15 A of the Rules of Procedure of the City Council; and amending the Council Standing Committees Functions and Purposes.

WHEREAS, by adoption of Resolution No. 36084 on January 20, 2004, and Resolution No. 36133 on March 23, 2004, the City Council has established standing committees and set forth the functions and purposes for those committees, which organization is reflected in the Rules of Procedure of the City Council, and

WHEREAS the City Council has determined that it is already involved in education within the City, as evidenced by the City’s provision of \$1.4 million of support for youth-related programs in schools for school year 2007-2008 and the City’s current funding of the Tacoma Public Library with \$23 million per biennium for operations, which provides literacy and educational access services through its ten branches and website, and

WHEREAS the City Council believes that education is tied to public safety, economic development, and quality of life, as evidenced by its strategic priorities, setting a goal of reducing crime by 50 percent in the next 14 months, and its belief that improving educational outcomes and after school programs will help the City meet that goal, and

WHEREAS the City Council further believes that the City’s success with existing cross-functional teams demonstrates the potential of greater

collaboration to support education and that if Tacoma is going to realize its potential, City leaders must be willing to work with the Tacoma Public School District, post-secondary institutions, nonprofit organizations, the business community and the Metropolitan Park District of Tacoma; Now, Therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

Section 1. Rule 15 A (6) of the Rules of Procedure of the City Council is amended to read as follows:

**RULE 15 – STANDING COMMITTEES**

**A. Standing Committees.** There are established the following standing committees of the Council that shall consist of four members each. The Mayor shall annually appoint and the Council shall confirm the membership of each committee. Each standing committee shall elect a chair and vice-chair.

\* \* \*

6. Public Safety, and Human Services, and Education.

Section 2. The function and purpose of the Public Safety and Human Services Committee, as last amended by Resolution No. 36133, is amended as set forth in Exhibit “A.”

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

## EXHIBIT "A"

### PUBLIC SAFETY, HUMAN SERVICES, AND EDUCATION PURPOSE

#### **Purpose and Scope**

To deliberate and make recommendations on legislative matters relating to law enforcement, fire prevention and suppression, emergency medical services, human services delivery and strategic planning, civil rights compliance, and strategic application of City resources, facilities and partnerships to advance community education. Provides a forum for community dialogue on related issues and initiatives.

Issues, programs and services may include but are not limited to:

- Community-oriented policing
- Drug house elimination
- Crime free housing
- Crime prevention
- Homeland Security
- Traffic safety/enforcement
- LESA
- Fire suppression
- Fire safety
- EMS
- Emergency management
- Human service delivery
- Human Services Strategic Plan
- Homelessness
- Civil rights compliance
- Domestic violence
- Municipal Court
- Legal criminal justice
- City services and funding related to education
- Child care
- Public libraries
- Community partnerships related to education

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**Council Membership:** Ladenburg, Lonergan, Strickland, Talbert  
**Chair:** Ladenburg                   **Vice Chair:** Lonergan  
**Terms:** One year  
**Meeting Time/Frequency:** Second and fourth Thursday of the month  
4:30 - 6:00 p.m.  
**Location:** Tacoma Municipal Building, Room 248

## **RESOLUTION NO. 37510**

A RESOLUTION authorizing the execution of grant agreements with the United States Department of Housing and Urban Development for the 2008-2009 Community Development Block Grant program, in the amount of \$2,848,014; the HOME Investment Partnership program, in the amount of \$1,829,405; the Emergency Shelter Grant program, in the amount of \$126,825; and the American Dream Downpayment Initiative, in the amount of \$14,259.

WHEREAS, on May 13, 2008, the City Council adopted Resolution No. 37479, authorizing the submission of the 2008-2009 Annual Action Plan ("Plan") to the United States Department of Housing and Urban Development ("HUD"), and

WHEREAS the program for the Plan commences July 1, 2008, and HUD will send the grant agreements on or about July 8, 2008, and

WHEREAS it is important that authorization to execute the agreements be made in advance to ensure timely implementation of various projects, and

WHEREAS the Consolidated Plan combined the submission of Community Development Block Grant, HOME Investment Partnership, Emergency Shelter Grant, and American Dream Downpayment Initiative programs into one document, and

WHEREAS contracts for individual projects over \$50,000 will be brought to the City Council for approval prior to implementation; Now, Therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

That the proper officers of the City are hereby authorized to execute grant agreements with the United States Department of Housing and Urban Development for 2008-2009 Community Development Block Grant program, in the amount of \$2,848,014; the HOME Investment Partnership program, in the amount of \$1,829,405; the Emergency Shelter Grant program, in the amount of \$126,825; and the American Dream Downpayment Initiative, in the amount of \$14,259, for the purposes hereinabove enumerated, said documents to be substantially in the form of the proposed grant agreements on file in the office of the City Clerk.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

## **RESOLUTION NO. 37511**

BY REQUEST OF COUNCIL MEMBERS LADENBURG AND WALKER

A RESOLUTION authorizing application(s) for funding assistance for a Washington Wildlife and Recreation Program (“WWRP”) project to the Recreation and Conservation Office (“RCO”) as provided in Chapter 79A.15 RCW, Acquisition of Habitat Conservation and Outdoor Recreation Lands.

WHEREAS our organization has approved a comprehensive plan that includes this project area, and

WHEREAS, under the provisions of WWRP, state funding assistance is requested to aid in financing the cost of land acquisition and/or facility development, and

WHEREAS our organization considers it in the best public interest to complete the land acquisition and/or facility development project described in the application;

NOW, THEREFORE, BE IT RESOLVED that:

1. City Manager Eric Anderson be authorized to make formal application to the RCO for funding assistance;
2. Any fund assistance received be used for implementation of the project referenced above;
3. The City hereby certifies that its 50 percent project funding share is committed for the Historic Water Ditch Trail project (\$450,000 from Paths and Trail Fund) and from the Metropolitan Parks District of Tacoma (\$100,000 from voter-approved bond);
4. We acknowledge that we are responsible for supporting all noncash commitments to this project should they not materialize;

5. We acknowledge that any property acquired or facility developed with financial aid from the Recreation and Conservation Funding Board (“RCFB”) must be placed in use for the funded purpose and be retained in such use in perpetuity unless otherwise provided and agreed to by our organization and the RCFB;

6. This resolution becomes part of a formal application to the RCO; and

7. We are providing appropriate opportunity for public comment on this application.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

## RESOLUTION NO. 37512

BY REQUEST OF MAYOR BAARSMA

A RESOLUTION related to committees, boards, and commissions; adding the Trade Development Alliance of Greater Seattle to the list of City Council appointments; and appointing City Council members to various national, state, regional, and local committees, boards, and commissions, including the City Council's five standing committees, for the year 2008.

WHEREAS the Mayor and City Council members are called upon to serve on a number of local, regional, state, and national committees, boards, and commissions, and

WHEREAS certain vacancies presently exist on certain committees, boards, and commissions, and

WHEREAS, pursuant to the Charter of the City of Tacoma and the rules, regulations, and procedures of the City Council, the Council Members named on Exhibit "A" have been nominated to serve on said committees, boards, and commissions listed; Now, Therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

That the Trade Development Alliance of Greater Seattle is hereby added to the list of the City Council appointments, and that those nominees to the committees, boards, and commissions listed on Exhibit "A," are hereby confirmed and the City Council members designated thereon shall be appointed as members of such committees, boards, and commissions for such terms as are set forth on said Exhibit "A."

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

## **EXHIBIT "A"**

### **2008 CITY COUNCIL APPOINTMENTS**

1. Appointments Committee – Anderson, Baarsma, Lonergan, Manthou, Fey (alternate)
2. Association of Washington Cities Board – Baarsma, Fey (alternate)
3. Association of Washington Cities Legislative Committee – Baarsma, Fey (alternate)
4. Association of Washington Cities Resolution Committee – Baarsma, Fey (alternate)
5. Baseball Park Advisory Committee – Baarsma
6. City Council Liaison to ASARCO Project – Manthou
7. City Manager Performance Review Committee – Baarsma, Lonergan, Manthou, Strickland (alternate)
8. Community Council Liaison – Baarsma, Fey
9. Cross District Association of Tacoma – Fey, Anderson (alternate)
10. Crystal Judson Family Justice Center – Ladenburg, Talbert
11. Economic Development Board Executive Committee – Baarsma
12. Economic Development Committee – Anderson, Ladenburg, Manthou, Talbert, Baarsma (alternate)
13. Environment and Public Works Committee – Baarsma, Ladenburg, Fey, Walker, Strickland (alternate)
14. Firemen’s Pension Fund Board of Trustees – Baarsma, Lonergan (alternate)
15. ForeverGreen Pierce County – Fey
16. Government Performance and Finance – Anderson, Baarsma, Lonergan, Strickland, Fey (alternate)

17. Hotel-Motel Tax Advisory Committee – Anderson
18. Investment and Finance Committee – Baarsma
19. Joint Municipal Action Committee – Fey, Ladenburg, Strickland (alternate)
20. Law and Justice Council – Ladenburg, Lonergan (alternate)
21. Law Enforcement Support Agency – Baarsma, Ladenburg (alternate)
22. National League of Cities – Ladenburg, Talbert, Anderson (alternate)
23. Neighborhoods and Housing Committee –Baarsma, Fey, Manthou, Walker, Strickland (alternate)
24. Pierce County Commission Against Domestic Violence – Ladenburg, Talbert (alternate)
25. Pierce County Regional Council – Baarsma, Lonergan Strickland
26. Pierce Transit Board – Baarsma, Lonergan, Talbert, Fey (alternate)
27. Police Disability and Pension Fund Board – Baarsma, Lonergan (alternate)
28. Public Safety and Human Services Committee –Ladenburg, Lonergan, Strickland, Talbert, Walker (alternate)
29. Puget Sound Clean Air Agency Board/Board of Directors –Fey, Walker (alternate)
30. Puget Sound Regional Council/Executive Board – Lonergan, Walker (alternate)
31. Puget Sound Regional Council/Economic Development District Board – Ladenburg, Anderson (alternate)
32. Puget Sound Regional Council/Growth Management Policy Board – Lonergan, Ladenburg (alternate)
33. Puget Sound Regional Council/Transportation Policy Board – Fey, Walker (alternate)
34. Puyallup Tribe Community Contribution Committee [2%] – Baarsma, Talbert (alternate)

35. Regional Access Mobility Partnership – Anderson, Fey (alternate)
36. Safe Streets Board – Strickland
37. Tacoma Arts Commission – Anderson, Fey (alternate)
38. Tacoma Council of PTA/City Government Liaison – Anderson
39. Tacoma Employees' Retirement System Board of Administration - Baarsma
40. Tacoma-Pierce County Board of Health – Baarsma, Talbert, Ladenburg (alternate)
41. Tacoma-Pierce County Employment and Training Consortium/Executive Board – Baarsma, Lonergan
42. Tacoma Youth Symphony Advisory Board – Baarsma
43. Trade Development Alliance of Greater Seattle – Baarsma, Ladenburg (alternate)
44. Urban Waters Board of Directors – Ladenburg, Fey (alternate)
45. U.S. Conference of Mayors – Baarsma
46. Zoo Trek Authority – Manthou, Fey



## RESOLUTION NO. 37513

1 A RESOLUTION related to the purchase of materials, supplies or equipment,  
2 and the furnishing of services; authorizing the appropriate City officials to  
3 enter into contracts and, where specified, waiving competitive bidding  
4 requirements, authorizing sales of surplus property, or increasing or  
5 extending existing agreements.

6 WHEREAS the City has complied with all applicable laws governing the  
7 acquisition of those supplies, and/or the procurement of those services,  
8 inclusive of public works, set forth in the attached Exhibit "A," which Exhibit is  
9 incorporated herein as though fully set forth, and

10 WHEREAS the Board of Contracts and Awards has reviewed the  
11 proposals and bids received by the City, and the Board has made its  
12 recommendation as set forth in Exhibit "A," and

13 WHEREAS the Board of Contracts and Awards has also made its  
14 recommendations as to entering into purchasing agreements with those  
15 governmental entities identified in Exhibit "A"; Now, Therefore,

16 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

17 That the Council of the City of Tacoma does hereby concur in the  
18 findings and recommendations of the Board of Contracts and Awards set forth  
19 in the attached Exhibit "A," and does hereby approve and authorize the:

20 (X) A. Procurement of those supplies, services, and public works  
21 recommended for acceptance in the attached Exhibit "A";

22 ( ) B. Rejection of those bids and/or proposals that are recommended  
23 for rejection in the attached Exhibit "A";  
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( ) C. Entry into the proposed purchasing agreement with those governmental entities identified in the attached Exhibit "A," which proposed agreement is on file in the office of the City Clerk;

( ) D. Waiver of competitive bidding procedures in those instances, as set forth in Exhibit "A," in which it is impracticable to obtain supplies or public works improvements by competitive bid, or in those instances in which supplies and/or public works are available from a single source.

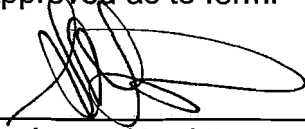
Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

  
\_\_\_\_\_  
Assistant City Attorney



**City of Tacoma**  
Public Works Department

EXHIBIT "A"  
RESOLUTION NO.: 37513  
ITEM NO.: 1  
MEETING DATE: JUNE 24, 2008

**DATE:** June 2, 2008  
**TO:** Board of Contracts and Awards  
**SUBJECT:** Purchase One (or more) Aerial Ladder Truck  
Budgeted from PW Fleet Equipment Rental Capital Outlay Fund 5400-CAPTL  
Specification FD07-0672F

**RECOMMENDATION:** Public Works - Fleet Services, on behalf of the Tacoma Fire Department, recommends that a contract in the amount of **\$623,968.00**, plus sales tax, be awarded to **General Fire Apparatus, Inc., Spokane, WA**, the low bidder, for one Spartan Rosenbauer 109' Aerial Ladder Truck including selected options. The contract shall be subject to extension by mutual agreement per the same prices, terms and conditions.

**EXPLANATION:** The vehicle will be purchased for and used by the Tacoma Fire Department.

**COMPETITIVE BIDDING:** Bids responding to Specification No. FD07-0672F were opened January 15, 2008. Five firms responded to the solicitation by submitting bids. Please see the enclosed memo from Deputy Chief Lendosky.

Bidder	Location	Total Bid w/selected options (does not include sales tax)
<b>General Fire Apparatus, Inc.</b>	<b>Spokane, WA</b>	<b>\$ 623,968.00</b>
W.S. Darley & Co.	Melrose Park, IL	\$ 667,740.00
Cascade Fire Equipment	Yakima, WA	\$ 713,311.00
American LaFrance, NW, LLC	Portland, OR	\$ 730,575.00
Crimson Fire, Inc.	Brandon, SD	\$ 758,900.00
Crimson Fire, Inc. (Tractor Drawn Aerial)	Brandon, SD	\$ 758,899.00
	Pre-bid Estimate	\$ 675,000.00


The recommended award is approximately 7.6% below the pre-bid estimate.

**CONTRACT HISTORY:** New contract.

**FUNDING:** Funds for this are available in the PW Fleet Equipment Rental Capital Outlay Fund 5400-CAPTL.

**HUB/LEAP COMPLIANCE:** N/A

**PROJECT ENGINEER/COORDINATOR:** Fred Chun, Fleet Services Manager, 591-5553

  
Michael P. Slevin III, P.E.  
Interim Public Works Director

- cc: Jeffrey Jenkins, Public Works  
Director's Intern, Public Works  
Ronald W. Stephens, Fire Chief  
Becky Halkoski, Finance/Accounting  
Sheri Hayes, TPU/Utilities Accounting  
Amy Palmer, Finance/Budget & Research  
Jayne McCartney, TPU/Purchasing  
Fleet Operations

## **RESOLUTION NO. 37514**

A RESOLUTION related to Tacoma Power Property; granting an easement across Tacoma Power Property, and authorizing settlement of a related lawsuit.

WHEREAS Tacoma Public Utilities, Power Division (“Tacoma Power”) owns certain real property located near 118th Avenue NW on the Key Peninsula, commonly referred to as “Pole Line Road,” and

WHEREAS Lott and other Plaintiffs (“Plaintiffs”) filed a lawsuit in order to gain access across this property, and

WHEREAS Tacoma Power and Plaintiffs, including two additional nearby property owners, have reached an agreement by which Tacoma Power will grant Lott an easement across the property in return for dismissal of the lawsuit, payment for the easement, and other consideration, and

WHEREAS staff and the Utility Board recommend settlement of this matter on the terms contained in the agreement; Now, Therefore,

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:**

Section 1. That the City Council hereby approves granting the required access easement to Plaintiffs, said document to be in substantially the same form as is on file in the office of the City Clerk.

Section 2. That the Council authorizes full and final settlement of *Lott, et al., vs. City of Tacoma, et al.*, Pierce County Superior Court Case No. 06-2-04233-1, in consideration of Plaintiff’s dismissal of the lawsuit, acceptance of the terms of the easement, and payment from the Plaintiffs of \$550,000.



Section 3. That the proper officers of the City are authorized to execute the necessary documents required for these transactions.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

## **RESOLUTION NO. 37515**

A RESOLUTION relating to the sale of Tacoma Public Utilities surplus property; authorizing the execution of agreements with ProLogis and BNSF Railway Company for the proposed sale of surplus property, possible vacation of right-of-way, and granting an air space easement for a future pedestrian overpass.

WHEREAS the City is presently negotiating the sale of approximately two acres of land located between South 35th Street and South Union Street to ProLogis for the development of a public street, at the expense of ProLogis, to provide improved access to a proposed logistics and distribution park, and

WHEREAS, under the terms of the sale, ProLogis will pay \$320,000 and BNSF Railway Company (“BNSF”) will donate approximately 5.87 acres of land to Tacoma Water, and Tacoma Power will receive certain improvements related to accessing the then created public street pursuant to a memorandum of agreement (“MOA”), and

WHEREAS, in addition, the City is presently negotiating two MOAs with BNSF, which will set forth the basic terms and conditions that will be included in the definitive agreements, and

WHEREAS a declaration of surplus and the proposed sale has been approved by the Tacoma Public Utility Board; Now, Therefore,

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:**

That the proper officers of the City are hereby authorized to execute agreements with ProLogis and BNSF Railway Company, for the proposed sale of surplus property, possible vacation of right-of-way, and granting an air space

easement for a future pedestrian overpass, said document to be substantially in the form of the proposed agreements on file in the office of the City Clerk.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

## **RESOLUTION NO. 37516**

A RESOLUTION related to the accessibility of the City's facilities and programs; adopting the 2008 update to the City of Tacoma's Americans with Disabilities Act Self-Evaluation and Transition Plan.

WHEREAS in 1995 the City adopted an Americans with Disabilities Act ("ADA") Self-Evaluation and Transition Plan ("Plan"); and

WHEREAS since the Plan's adoption, there have been changes in technology and ongoing court interpretations of relevant laws that affect the Plan, and

WHEREAS between 2005 and 2007, the City undertook an evaluation of the compliance of City facilities with the ADA and determined that updates to the Plan were both necessary and beneficial; and

WHEREAS subsequent to the evaluation, the City created a work group that included representatives from every City department that operates facilities open to the public and the Tacoma Area Commission on Disabilities to develop an updated Plan; and

WHEREAS the update was presented at a series of community meetings for public comment, which comments were reviewed by the work group and, where appropriate, were incorporated in the final Plan; Now, Therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

The City Council adopts the 2008 update to the City of Tacoma's Americans with Disabilities Act Self-Evaluation and Transition Plan, substantially in the form of the plan on file in the office of the City Clerk.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

## **RESOLUTION NO. 37517**

A RESOLUTION relating to automatic aid agreements for fire service; authorizing the execution of an agreement with Pierce County Fire Protection District No. 5 to provide fire services.

WHEREAS the borders of Pierce County Fire Protection District No. 5 (“PCFD 5”), generally covering the jurisdiction of Gig Harbor, are proximate to the service area covered by the Tacoma Fire Department (“TFD”), and

WHEREAS, in certain circumstances, TFD can respond to emergency calls in District No. 5 more quickly than PCFD 5, and

WHEREAS TFD staff has determined that it would be in the City’s best interest for TFD to respond automatically to emergency calls from PCFD 5 in the same manner as to calls within the City, and

WHEREAS PCFD 5 will agree to reimburse TFD for direct costs for equipment and crew when TFD responds to calls in PCFD 5; Now, Therefore,

**BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:**

That the proper officers of the City are hereby authorized to execute an Automatic Aid Agreement with Pierce County Fire Protection District No. 5, said document to be substantially in the form of the proposed agreement on file in the office of the City Clerk.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

## **RESOLUTION NO. 37518**

A RESOLUTION relating to the City's Information Technology Department; executing Amendment No. 2 to the cable agreement with Click! Network, a division of Tacoma Power, to extend the term through December 31, 2008.

WHEREAS, on July 21, 1998, the City Council adopted Resolution No. 34118, authorizing the creation of the telecommunications system as a separate system of the City's Department of Public Utilities, Light Division ("Department"), and

WHEREAS, on January 19, 1999, the City Council adopted Resolution No. 34286, authorizing the execution of a cable agreement ("Agreement") with the Department, to set forth the rights, responsibilities, and obligations of Tacoma City Light, and

WHEREAS Click! Network, a division of Tacoma Power, and the Information Technology Department of the City of Tacoma are beginning negotiations for a new Agreement, and

WHEREAS the original Agreement will expire July 27, 2008, and

WHEREAS this extension will allow for the continuation and completion of the negotiations for the new cable agreement; Now, Therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

That the proper officers of the City are hereby authorized to execute Amendment No. 2 to the Cable Agreement with Click! Network, a division of Tacoma Power, to extend the term through December 31, 2008, said document to be substantially in the form of the proposed agreement on file in the office of the City Clerk.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
Chief Assistant City Attorney

## **RESOLUTION NO. 37519**

A RESOLUTION relating to special projects; designating a vocational rehabilitation internship funded by the Washington State Department of Social and Health Services, Division of Vocational Rehabilitation, as a Special Project of limited duration; and designating benefits, pursuant to Sections 1.12.155, 1.24.187, 1.24.980 through 1.24.986 and 1.30.300 of the Tacoma Municipal Code.

WHEREAS the Washington State Department of Social and Health Services, Division of Vocational Rehabilitation (“DVR”), provides vocational rehabilitation services to certain individuals with physical or mental disabilities which present a substantial barrier to employment and provides funding for certain employers with suitable employment training environments, and

WHEREAS the DVR and the City have identified a suitable internship project for the limited duration of six months within the Human Resources Department and have identified an individual served by the DVR and qualified to participate in the internship, and

WHEREAS the DVR fully funds all costs of the foregoing internship throughout its duration to include wages, benefits, and costs relating to accommodations, and

WHEREAS, pursuant to the provisions of Sections 1.12.155, 1.24.187, and 1.24.980 through 1.24.986 of the Tacoma Municipal Code and Section 6.1(h) of the Tacoma City Charter, employees who are not regular employees and are hired as project employees are paid as provided for by ordinance or resolution of the City Council; Now, Therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

Section 1. That the internship described herein is hereby designated as a Special Project under Section 1.24.980 of the Tacoma Municipal Code ("TMC") and shall continue for the period of six months. In accordance with TMC 1.12.155 and 1.24.981, the comparable classification for this Special Project internship shall be Human Resources Assistant.

Section 2. That the salary and class set forth in Section 1 of this resolution, or the closest classifications applicable in the Compensation Plan for regular City employees shall be applied, contingent upon funding.

Section 3. That, in accordance with TMC 1.24.187, 1.24.980 through 1.24.986, and 1.30.300, the individual identified to serve in the foregoing internship shall be designated a Special Project employee as of the date of hire.

Section 4. That the individual identified herein who has been hired or may be hired to work in the internship Special Project identified in this resolution shall receive benefits, including medical and dental insurance and Personal Time Off, all in accordance with and pursuant to the provisions of the Compensation Plan of the City. The intern shall be given a one-time binding and irrevocable election to participate in the City's Retirement System, pursuant to the retirement provisions of TMC 1.30. The intern shall not be eligible for longevity pay.

Section 5. That because the Special Project identified in this resolution is temporary in nature and unique in that it only applies to a qualified DVR internship, it is deemed a temporary position for the limited duration of

six months; and the individual so employed in such internship position shall have no claim to further or continued employment with the City after cessation of this Special Project, except pursuant to his or her obtaining status as a regular City employee under the provisions of the Tacoma Municipal Code or pursuant to further action of the City Council relating to such Special Project.

Section 6. That all acts by agents or employees of the City consistent with the intent of this resolution taken prior to the effective date of this resolution are hereby ratified.

Section 7. That the City Manager is hereby authorized to direct the appropriate City officers to proceed with the necessary actions for this Special Project completion.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

## **ORDINANCE NO. 27716**

AN ORDINANCE relating to zoning; changing the zoning classifications of certain property from C-1 General Neighborhood Commercial to C-2 General Community Commercial, and amending Chapter 13.06 of the Tacoma Municipal Code by deleting certain described property from Section 13.06.200.B.2, and by adding a new section to be known as Section 13.06.200.B.3(243).

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That the City Council hereby adopts the Hearing Examiner's Findings, Conclusions, and Recommendation contained in the Hearing Examiner's Report dated April 14, 2008, bearing File No. REZ2007-40000108054 and filed in the office of the City Clerk, with the exception of Special Condition No. 4, which requires the applicant to enter into a Concomitant Zoning Agreement.

Section 2. That Chapter 13.06 of the Tacoma Municipal Code is hereby amended by adding thereto a new section to be known as Section 13.06.200.B.3(243), to read as follows:

13.06.200.B.3(243) ADDED TO "C-2 GENERAL COMMUNITY COMMERCIAL DISTRICT." The following property shall be included in the C-2 General Community Commercial District:

Lot 1, Pierce County Short Plat number 9009200113, according to the map thereof recorded September 20, 1990, records of Pierce County Auditor. Situated in the Northwest quarter of the Southeast quarter of Section 15, Township 20 north, Range 03 East, W.M., City of Tacoma, County of Pierce, State of Washington.

Parcel No. 0320158001

Section 3. That the above-described property be and is hereby deleted from Section 13.06.200.B.2, "C-1" General Neighborhood Commercial, of the Tacoma Municipal Code.

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Location: 4314 East Portland Ave., Tacoma  
Applicant: Chang Jee Kim  
Rezone No. REZ2007-40000108054/SEP2007-40000108055

Approved as to form:

Property description approved:

\_\_\_\_\_  
Assistant City Attorney

\_\_\_\_\_  
Chief Surveyor  
Public Works Department

## **ORDINANCE NO. 27721**

AN ORDINANCE relating to the waterway park kayak float project; authorizing the execution of an interlocal agreement with Metropolitan Park District of Tacoma (“Metro Parks”), in the amount of \$110,000; accepting and depositing \$110,000 from Metro Parks and \$40,000 from Foss Landing, LLC, into the FWDA Capital Projects Fund; and appropriating \$150,000 from the FWDA Capital Projects Fund for the construction of a nonmotorized boat float on the Thea Foss Waterway.

WHEREAS the waterway park kayak float project (“Project”) will provide a nonmotorized boat float and removal of existing derelict floats on the Thea Foss Waterway, and

WHEREAS this \$300,000 Project is funded in part by a \$150,000 grant from the Recreation and Conservation Office, and

WHEREAS Metropolitan Park District of Tacoma and Foss Landing, LLC, have agreed to provide the required matching funds for this Project; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That the proper officers of the City are hereby authorized to execute an interlocal agreement with Metropolitan Park District of Tacoma (“Metro Parks”), in the amount of \$110,000, said document to be substantially in the form of the proposed interlocal agreement on file in the office of the City Clerk.

Section 2. That there is hereby accepted and deposited into the FWDA Capital Projects Fund the sums of \$110,000 from Metro Parks and \$40,000 from Foss Landing, LLC.

Section 3. That there is hereby appropriated from the FWDA Capital Projects Fund \$150,000 for the waterway park kayak float project.

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
Assistant City Attorney

## ORDINANCE NO. 27722

AN ORDINANCE relating to the Compensation Plan; amending Section 1.12.355 of the Tacoma Municipal Code; and declaring the effective dates thereof to implement rates of pay and compensation and changes in classifications to reflect organizational structure.

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That Section 1.12.355 of the Tacoma Municipal Code is hereby amended, effective July 1, 2008, to read as follows:

Cod e	Title	1
7111	Locomotive Engineer	<del>27.59</del>

Cod e	Title	1
7111	Locomotive Engineer	<u>28.42</u>

Section 2. That Section 1 of this ordinance shall become effective July 1, 2008.

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

## **ORDINANCE NO. 27723**

AN ORDINANCE relating to public safety at the City's official Fourth of July celebration; authorizing police to require persons violating the law to leave the designated "public area" during and for a period of time after the festivities; adopting criminal penalties for persons failing to obey such police orders; updating penalty provisions and code references; amending Chapter 8.97 of the Tacoma Municipal Code in connection therewith; and declaring an emergency.

WHEREAS Chapter 8.97 of the Tacoma Municipal Code defines the extent of a "public area" used in conjunction with the annual Fourth of July festivities and contains provisions regarding conduct within the "public area," and

WHEREAS the City sponsors festivities on the waterfront each Fourth of July, which festivities include vendors, entertainment, and a large fireworks display. Tens of thousands of people attend these events each year, and

WHEREAS, in the past, persons violating the law have jeopardized public safety at the festivities. The size and density of the crowd magnifies the potential threat to public safety posed by law violations, and

WHEREAS citing or arresting individuals diverts police resources and may not be effective in removing these individuals from the festivities because the Pierce County Jail typically does not incarcerate misdemeanants, and

WHEREAS, because the fireworks display does not begin until it is dark, the crowd often does not disperse until the early morning hours of the Fifth of July, and

WHEREAS the City, like many other jurisdictions, has provisions that allow the proper authorities to exclude persons who violate the law from parks and other public spaces, and

WHEREAS the Tacoma Police Department recommends updating and expanding this section, in order to provide a similar tool for this public area, in the belief that doing so will increase the safety of persons attending the Fourth of July festivities and the general public; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. Chapter 8.97 of the Tacoma Municipal Code is amended, as set forth in Exhibit "A."

Section 2. Declaration of Emergency and Effective Date. The City Council finds that unexpected circumstances prevented this ordinance from being adopted in the regular course of business and that having this ordinance take effect before July 3, 2008, is necessary to maintain the public safety and welfare. Therefore, the City Council declares an emergency and that this ordinance shall take effect immediately upon its enactment.

Section 3. Severability and Savings. If any section, sentence, clause, or phrase of this ordinance shall be held to be invalid or unconstitutional by an administrative agency or quasi-judicial body, or by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause, or phrase of this ordinance. Provided, however, that if any section, sentence, clause, or phrase of this ordinance is held to be invalid by an administrative agency or quasi-judicial body, or by a court of competent jurisdiction, then the section,

sentence, clause, or phrase in effect prior to the effective date of this ordinance shall be in full force and effect for that individual section, sentence, clause, or phrase as if this ordinance had never been adopted.

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
Assistant City Attorney

## EXHIBIT "A"

### Chapter 8.97

#### FOURTH OF JULY FESTIVITIES REGULATION

##### **8.97.010 Definitions.**

A. "Alcoholic beverage" shall mean those substances containing alcohol which are included in the definition of "liquor" as more specifically set forth in Section 8.20.020E of this code.

B. "Fireworks" means any composition or device in a finished state containing any combustible or explosive substance for the purpose of producing a visible or audible effect by combustion, explosion, deflagration, or detonation, and classified as common or special fireworks under Chapter 3.12 of this Code.

C. A "liquor permit" shall mean a liquor permit issued by the appropriate officer or agency of the State of Washington pursuant to RCW Title 66 and regulations promulgated thereunder.

D. For the purpose of this chapter, "public area" shall mean the area lying northerly of the southerly boundary of the Burlington Northern right-of-way from a point on such southerly boundary of the railroad right-of-way 580 feet east of the extended easterly boundary of Starr Street to the intersection of such southerly boundary of railroad right-of-way with the easterly boundary of the town of Ruston, and lying southerly of the established inner harbor line in Puget Sound adjacent to Ruston Way, and also any pier and related structure lying northerly of such described area and lying southerly of the established outer harbor line adjacent to Ruston Way. Such "public area" does not include privately owned buildings which are not open to the general public.

##### **8.97.020 Fireworks banned.**

It shall be unlawful for any person during the 4<sup>th</sup> of July to transport or throw any fireworks into the public area or to carry, possess, use, or discharge any fireworks within the public area, except for the transport, possession and discharge of fireworks which are held and used as part of the public display of fireworks pursuant to the terms and conditions of the public fireworks display permit issued under Chapter 3.12 of this Code.

**8.97.030 Liquor prohibited.**

It shall be unlawful for any person during the 4<sup>th</sup> of July to transport any alcoholic beverage into the public area or to possess, display or consume any alcoholic beverage within the public area during the 4<sup>th</sup> of July, except for the possession and consumption of alcoholic beverages within those premises or designated confined areas where such possession or use is allowed pursuant to a liquor permit issued in accordance with the applicable laws and regulations of the State of Washington. Every person who violates any provision of this section shall be guilty of a civil infraction and shall be fined not more than \$100.00, which includes all statutory assessments. Whenever any person is stopped for a violation of this section, the officer may detain that person for a reasonable period of time necessary to identify the person and check for outstanding warrants.

**8.97.040 Penalty.**

Any person, firm, corporation, or association violating or failing to comply with any provisions of this chapter shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine in a sum not exceeding \$1,000.00 or by imprisonment in jail for a period not exceeding 90 days or both such fine and imprisonment.

**8.97.050 Violators may be required to leave public area.**

When any police officer has probable cause to believe that a person has violated any provision of the Tacoma Municipal Code or any provision of the Revised Code of Washington while in the public area, he or she may require that person to leave the public area immediately. Any person who remains in the public area after being required to leave by a police officer, or who returns to the public area on the fourth day of July or prior to 7 a.m. on the fifth day of July of the year in which the violation occurred, is guilty of criminal trespass and may be arrested and prosecuted under the Tacoma Municipal Code. Any juvenile violating this section may be arrested and prosecuted under the municipal code or chapter 9.52 RCW, as currently enacted or hereafter amended.

## **ORDINANCE NO. 27724**

AN ORDINANCE relating to the Local Infrastructure Financing Tool Program; designating a revenue development area; and authorizing an application to the State Community Economic Revitalization Board for the use of the Local Infrastructure Financing Tool, as provided for in Chapter 39.102 of the Revised Code of Washington.

WHEREAS Chapter 39.102 of the Revised Code of Washington (“RCW”) creates a Local Infrastructure Financing Tool (“LIFT”) Program that allows a local government to obtain a 100 percent credit against future state sales and use taxes and a 75 percent allocation of property tax revenue generated from new development within a designated revenue development area for use in financing public infrastructure projects, and

WHEREAS the LIFT Program does not increase local or state sales, use, or property tax rates, and

WHEREAS, pursuant to Resolution No. 37464, adopted May 6, 2008, the City Council held a public hearing on June 10, 2008, to receive public comment on this proposed ordinance, and

WHEREAS the City Council believes that the use of the LIFT Program to fund certain public improvements will act as a catalyst to attract at least \$400 million of new private investment in office development and the creation of approximately 2,000 well-paying jobs in international financial services and other fields; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. As provided for in Chapter 39.102.090 of the Revised Code of Washington (“RCW”), the City Council establishes a revenue development area (“RDA”) for the purposes of and as further described in Chapter 39.102 RCW and this ordinance.

Section 2. South 4th Street to the north; South 28th Street, Interstate 705, State Route 7 northbound, Wiley Avenue, and Interstate 5 to the south; Dock Street, Puyallup Avenue, and “L” Street to the east; and Tacoma Avenue to the west, as shown on the map at Exhibit “A.”

Section 3. The public improvements to be made in the RDA shall include, but not be limited to, parking infrastructure; right-of-way improvements; including storm drainage and sewer improvements; and streetscape improvements.

Section 4. As required in RCW 39.102.060:

1. the taxable value of real property within the RDA must be less than \$1 billion; the taxable value of the proposed RDA is \$759.2 million;
2. the average assessed value per square foot of taxable land must not exceed \$70; the average taxable land value in the RDA is \$34.24 per square foot;
3. there are no hospital benefit zones or any part of another RDA within the proposed boundary of the RDA;
4. the RDA consists of contiguous tracts, lots, pieces, or parcels;

5. the boundaries do not purposefully exclude parcels where economic growth is unlikely to occur;

6. the RDA does not comprise an area containing more than 25 percent of the total assessed value of the taxable real property located in the City;

7. the boundaries of the RDA will remain unchanged for the time period that local infrastructure financing is used;

8. the RDA does not include any part of an increment area created under Chapter 39.89 RCW after January 1, 2006;

9. all of the public improvements being proposed for LIFT financing are located in the RDA; and

10. all of the proposed public improvements are eligible public improvements, as set forth in RCW 39.102.020(21).

Section 5. The estimated costs of the proposed public improvements are \$72.3 million. LIFT funds projected to be generated would be used to repay a general obligation bond, which would yield an estimated \$13.3 million in net proceeds.

Section 6. The local excise tax allocation revenues, local property tax allocation revenues, and other revenues for local public sources will be used for local infrastructure financing for a period of 25 years.

Section 7. Use of the local excise tax allocation revenues and local property tax allocation revenues will commence July 1, 2011.

Section 8. The City Council finds that the conditions set forth in RCW 39.102.070 are met as follows:

1. no funds acquired under this program will be used on public facilities funded with taxes collected under RCW 82.14.048 (sales and use taxes for public facilities districts);
2. all public improvements funded under this program are or will be included in the capital facilities, utilities, housing, or transportation element of the City's Comprehensive Plan at the time funds are spent on the improvement or are historical preservation activities, as defined in RCW 39.89.020;
3. the public improvements proposed to be financed under the LIFT Program are expected to encourage private development within the RDA and to increase the fair market value of real property within the RDA;
4. the City expects to enter into a contract with a private developer relating to the development of private improvements within the RDA;  
and
5. private development anticipated to occur within the RDA is consistent with Section 19A.50 of the Pierce County Planning Policies and with Section 2, Growth Strategy and Development Concept; Section 4, Housing; Section 5, Capital Facilities; Section 7, Transportation Element; Section 12, Destination Downtown of the City's Comprehensive Plan; and Chapter 13.06A of the Tacoma Municipal Code (Land Use Regulatory Code).

Section 9. In accordance with RCW 39.102.070(6), the City Council finds that local increment financing:

1. is not expected to be used for the purpose of relocating a business from outside the RDA, but within the state, into the RDA;
2. will improve the viability of existing business entities within the RDA;
3. is reasonably likely to increase residential and commercial investment, employment, and the viability of any existing communities that are based on mixed-use development within the RDA;
4. will generate, over the period of time that the local option sales and use tax will be imposed under RCW 82.14.475, state excise tax allocation revenues and state property tax allocation revenues derived from the RDA that are equal to or greater than the respective state contributions made under Chapter 39.102 RCW.

Section 10. In accordance with RCW 39.102.080, the City Council states that:

1. there are no other participating local governments within this RDA;
2. an estimate of the impact of the RDA on small business and low-income housing and a mitigation plan is filed with the City Clerk. The estimate and plan contains the following:
  - a. the inventory of existing low-income housing units, businesses, and retail activity, and an estimate of the number of low-income housing units, small businesses, and commercial activity that may be vulnerable to displacement within the RDA.

b. an estimate of projected net-job growth and net-housing growth created by creation of the RDA when compared to the existing jobs or housing balance for the RDA.

c. an estimate of the impact of net-housing growth on the current housing market.

Section 11. The proper authorities of the City are authorized to apply to the State Community Economic Revitalization Board for the use of the Local Infrastructure Financing Tool, as provided for in Chapter 39.102 RCW and this ordinance, and to take all necessary and reasonable actions to implement this ordinance. Any prior actions consistent with and in support of this ordinance are hereby ratified and confirmed.

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
Assistant City Attorney

## **ORDINANCE NO. 27725**

AN ORDINANCE relating to the Multi-Family Property Tax Exemption program; suspending the acceptance of applications for the tax exemption for all multi-family developments in the Tacoma Mall Mixed-Use Center; and amending Chapter 6A.110 of the Tacoma Municipal Code.

WHEREAS the City has an interest in stimulating new construction or rehabilitation of multi-family housing in Residential Target Areas in order to reduce development pressure on single-family residential neighborhoods, increase and improve housing opportunities, and encourage development densities supportive of transit use, and

WHEREAS the City has, pursuant to the authority granted to it by Chapter 84.14 of the Revised Code of Washington, designated various Residential Target Areas for the provision of limited property tax exemptions for new multi-family residential housing, and

WHEREAS the City has, through Ordinance No. 25789, enacted a program whereby property owners may qualify for a Final Certificate of Tax Exemption, which certifies to the Pierce County Assessor-Treasurer that the owner is eligible to receive a limited property tax exemption, and

WHEREAS, based on the findings below, the City has determined that it is not in the best interests of the City's current focus for economic development to accept applications for the property tax exemption for any other multi-family developments in the Tacoma Mall Mixed-Use Center; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That the City Council makes the following findings and conclusions:

A. Under RCW 84.14, the City is given discretion to adopt guidelines to support the purpose of the property tax exemption program.

B. The City's current Property Tax Exemption program for Multi-Family Housing has resulted in a higher number of small-unit developments and a higher number of small townhouse-style and other multi-family developments than anticipated in the Tacoma Mall Mixed-Use Center.

C. The Tacoma Mall Mixed-Use Center is designated as a Regional Growth Center in the Puget Sound Regional Council's Vision 2040 Plan ("Vision 2040 Plan"). As such, this designated geography of Tacoma has been planned and zoned to accommodate a high level of employment and population growth in accordance with the goals and objectives of the Vision 2040 Plan and the City's Comprehensive Plan.

D. Of all housing units receiving the Property Tax Exemption since its inception in 1996, 21 percent (608 units) have been in the Tacoma Mall Mixed-Use Center. In the past 12 months, there have been applications for 13 multi-family development projects (168 units) of which 11 (74 units) were in the Tacoma Mall Center, primarily between 40th Street and 48th and Pine Streets and South Puget Sound, an area of approximately 124 acres. Within this small amount of land, a high concentration of multi-family development may adversely impact the character, infrastructure and livability of the area. Such

impacts may be detrimental to achieving the development vision and goals in the Vision 2040 Plan as a Regional Growth Center and the City Comprehensive Plan.

E. This increase in the number of small townhouse-style and other multi-family developments in the Tacoma Mall Mixed-Use Center may be causing undesirable patterns and sequencing of development, including prolonged disruption of access to nearby property owners due to repetitive street, sidewalk, and utility construction associated with the new development that appears to exceed the adverse effects of similar development of this type in other mixed-use centers.

F. Small townhouse-style and other multi-family developments, when concentrated in time and in this location, present design, regulatory, and infrastructure issues that have not yet been considered by the City Council.

G. The over concentration of townhouse and other small multi-family development within the Tacoma Mall Mixed-Use Center may be inconsistent with the City's Comprehensive Plan's vision, goals, and objectives for the area affecting the City's ability to achieve its employment and population growth targets.

H. There is currently a coordinated package of development regulations underway to optimize the effectiveness and synergy between the City's Comprehensive Plan, land use regulatory code, and incentive programs within the City's mixed-use centers. It is anticipated that this effort is to be completed no later than December 31, 2008.

I. Therefore, the City Council concludes that it is in the City's best interests to no longer provide an incentive under the Property Tax Exemption program in the Tacoma Mall Mixed Used Center, and to suspend all applications for the Property Tax Exemption for Multi-Family Housing in the Tacoma Mall Mixed-Use Center until January 1, 2009.

Section 2. That as of the effective date of this ordinance, the City will not accept applications under the Property Tax Exemption program for any other multi-family developments in the Tacoma Mall Mixed-Use Center until January 1, 2009.

Section 3. That Section 6A.110.020 of the Tacoma Municipal Code is hereby amended as set forth in Exhibit "A."

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
Assistant City Attorney

## EXHIBIT “A”

### **6A.110.020 Property Tax Exemption – Requirements and Process**

A. Intent. Limited 8 or 12-year exemptions from ad valorem property taxation for multi-family housing in mixed-use centers are intended to:

1. Encourage increased residential opportunities within mixed-use centers designated by the City Council as residential target areas;
2. Stimulate new construction or rehabilitation of existing vacant and underutilized buildings for multifamily housing in residential target areas to increase and improve housing opportunities;
3. Assist in directing future population growth to designated mixed-use centers, thereby reducing development pressure on single-family residential neighborhoods; and
4. Achieve development densities which are more conducive to transit use in designated mixed-use centers.

B. Duration of Exemption. The value of improvements qualifying under this chapter will be exempt from ad valorem property taxation for eight or twelve successive years (depending on whether the property includes affordable housing component as described in subsection E and F below) beginning January 1 of the year immediately following the calendar year of issuance of the Final Certificate of Tax Exemption.

C. Limits on Exemption. The exemption does not apply to the value of land or to the value of improvements not qualifying under this chapter, nor does the exemption apply to increases in assessed valuation of land and non-qualifying improvements. In the case of rehabilitation of existing buildings, the exemption does not include the value of improvements constructed prior to submission of the completed application required under this chapter.

D. Rehabilitation Provisions. Property proposed to be rehabilitated must fail to comply with one or more standards of the applicable state or local building or housing codes on or after July 23, 1995. If the property proposed to be rehabilitated is not vacant, an applicant shall provide each existing tenant housing of comparable size, quality and price and a reasonable opportunity to relocate.

E. Eight-year exemption Project Eligibility. A proposed project must meet the following requirements for consideration for a property tax exemption:

1. Location. The project must be located within a residential target area, as designated in Section 13.17.020. Potential projects to be sited within the boundaries of the University of Washington Tacoma “campus facilities master plan” within the Downtown Tacoma Mixed-Use Center will not be considered.
2. Size. The project must include at least four units of multi-family housing within a residential structure or as part of a mixed-use development. A minimum of four new units must be constructed or at least four additional multi-family units must be added to

existing occupied multi-family housing. Existing multi-family housing that has been vacant for 12 months or more does not have to provide additional units so long as the project provides at least four units of new, converted, or rehabilitated multi-family housing.

3. Permanent Residential Occupancy. At least 50 percent of the space designated for multi-family housing must be provided for permanent residential occupancy, as defined in Section 13.17.010.

4. Proposed Completion Date. New construction multi-family housing and rehabilitation improvements must be scheduled to be completed within three years from the date of approval of the application.

5. Compliance With Guidelines and Standards. The project must be designed to comply with the City's comprehensive plan, building, housing, and zoning codes, and any other applicable regulations in effect at the time the application is approved. Rehabilitation and conversion improvements must comply with the City's minimum housing code. New construction must comply with the Uniform Building Code. The project must also comply with any other standards and guidelines adopted by the City Council for the residential target area in which the project will be developed.

6. Until January 1, 2009, no applications for any multi-family style developments in the Tacoma Mall Mixed-Use Center, as identified in TMC 13.17.020 and as outlined on the Generalized Land Use Plan and in the Comprehensive Plan legal descriptions, which are incorporated herein by reference and on file in the City Clerk's Office, will be accepted for this property tax exemption.F. Twelve-year exemption Project Eligibility. A proposed project must meet the following requirements for consideration for a twelve year property tax exemption:

1. All requirements set forth in subsection E above; and
2. The applicant must commit to renting or selling at least twenty percent of the multifamily housing units as affordable housing units to low and moderate-income households respectively, and the property must satisfy that commitment and any additional affordability and income eligibility conditions adopted by the local government under this chapter. In the case of projects intended exclusively for owner occupancy, the minimum requirement of this subsection may be satisfied solely through housing affordable to moderate income households.

G. Application Procedure. A property owner who wishes to propose a project for a tax exemption shall complete the following procedures:

1. File with the Community and Economic Development Department the required application along with the required fees. The application fee to the City shall be \$1,000 for four units, plus \$100 per additional multi-family unit, up to a maximum total fee to the City of \$5,000. If the application shall result in a denial by the City, the City will retain that portion of the fee attributable to its own administrative costs and refund the balance to the applicant.

2. A complete application shall include:

- a. A completed City of Tacoma application form setting forth the grounds for the exemption;
- b. Preliminary floor and site plans of the proposed project;
- c. A statement acknowledging the potential tax liability when the project ceases to be eligible under this chapter; and
- d. Verification by oath or affirmation of the information submitted.

H. Application Review and Issuance of Conditional Certificate. The Director may certify as eligible an application which is determined to comply with the requirements of this chapter. A decision to approve or deny an application shall be made within 90 days of receipt of a complete application.

1. Approval. If an application is approved, the applicant shall enter into a contract with the City, subject to approval by resolution of the City Council regarding the terms and conditions of the project. Upon Council approval of the contract, the Director shall issue a Conditional Certificate of Acceptance of Tax Exemption. The Conditional Certificate expires three years from the date of approval unless an extension is granted as provided in this chapter.

2. Denial. The Director shall state in writing the reasons for denial and shall send notice to the applicant at the applicant's last known address within ten days of the denial. An applicant may appeal a denial to the City Council within 30 days of receipt of notice. On appeal, the Director's decision will be upheld unless the applicant can show that there is no substantial evidence on the record to support the Director's decision. The City Council's decision on appeal will be final.

I. Extension of Conditional Certificate. The Conditional Certificate may be extended by the Director for a period not to exceed 24 consecutive months. The applicant must submit a written request stating the grounds for the extension, accompanied by a \$50.00 processing fee. An extension may be granted if the Director determines that:

1. The anticipated failure to complete construction or rehabilitation within the required time period is due to circumstances beyond the control of the owner;
2. The owner has been acting and could reasonably be expected to continue to act in good faith and with due diligence; and
3. All the conditions of the original contract between the applicant and the City will be satisfied upon completion of the project.

J. Application for Final Certificate. Upon completion of the improvements agreed upon in the contract between the applicant and the City and upon issuance of a temporary or permanent certificate of occupancy, the applicant may request a Final Certificate of Tax Exemption. The applicant must file with the Community and Economic Development Department the following:

1. A statement of expenditures made with respect to each multi-family housing unit and the total expenditures made with respect to the entire property;
2. A description of the completed work and a statement of qualification for the exemption; and
3. A statement that the work was completed within the required three-year period or any authorized extension.
4. If applicable, a statement that the project meets the affordable housing requirements as described in subsection F above.

Within 30 days of receipt of all materials required for a Final Certificate, the Director shall determine which specific improvements satisfy the requirements of this chapter.

K. Issuance of Final Certificate. If the Director determines that the project has been completed in accordance with the contract between the applicant and the City and has been completed within the authorized time period, the City shall, within ten days, file a Final Certificate of Tax Exemption with the Pierce County Assessor.

1. Denial and Appeal. The Director shall notify the applicant in writing that a Final Certificate will not be filed if the Director determines that:

- a. The improvements were not completed within the authenticated time period;
- b. The improvements were not completed in accordance with the contract between the applicant and the City; or
- c. The owner's property is otherwise not qualified under this chapter.

2. Within 14 days of receipt of the Director's denial of a Final Certificate, the applicant may file an appeal with the City's Hearing Examiner, as provided in Section 1.23.070 of the Tacoma Municipal Code. The applicant may appeal the Hearing Examiner's decision in Pierce County Superior Court, if the appeal is filed within 30 days of receiving notice of that decision.

L. Annual Compliance Review. Within 30 days after the first anniversary of the date of filing the Final Certificate of Tax Exemption, and each year thereafter, for a period of eight or twelve years, the property owner shall file a notarized declaration with the Director indicating the following:

1. A statement of occupancy and vacancy of the multi-family units during the previous year;
2. A certification that the property continues to be in compliance with the contract with the City; and, if applicable, a certification of affordability based on documentation that the property is in compliance with the affordable housing requirements as described in section 6.A.110.020.F;
3. A description of any subsequent improvements or changes to the property.

City staff shall also conduct on-site verification of the declaration. Failure to submit the annual declaration may result in the tax exemption being canceled.

M. Cancellation of Tax Exemption. If the Director determines the owner is not complying with the terms of the contract, the tax exemption will be canceled. This cancellation may occur in conjunction with the annual review or at any other time when noncompliance has been determined. If the owner intends to convert the multi-family housing to another use, the owner must notify the Director and the Pierce County Assessor within 60 days of the change in use.

1. Effect of Cancellation. If a tax exemption is canceled due to a change in use or other noncompliance, the Pierce County Assessor may impose an additional tax on the property, together with interest and penalty, and a priority lien may be placed on the land, pursuant to State legislative provisions.

2. Notice and Appeal. Upon determining that a tax exemption is to be canceled, the Director shall notify the property owner by certified mail. The property owner may appeal the determination by filing a notice of appeal with the City Clerk within 30 days, specifying the factual and legal basis for the appeal. The Hearing Examiner will conduct a hearing at which all affected parties may be heard and all competent evidence received. The Hearing Examiner will affirm, modify, or repeal the decision to cancel the exemption based on the evidence received. An aggrieved party may appeal the Hearing Examiner's decision to the Pierce County Superior Court.

## **ORDINANCE NO. 27726**

AN ORDINANCE relating to a business and occupation tax classification; amending Chapter 6A.30 of the Tacoma Municipal Code to reduce and eventually eliminate the business and occupation tax rate for International Investment Management Services.

WHEREAS in 1993, the state legislature passed 2ESSB 5967 (now codified as RCW 43.31C.020), allowing city governments to designate Community Empowerment Zones as a strategy to stimulate the Washington State economy, and

WHEREAS, in 1998, the state legislature passed ESSHB 2342 (codified at RCW 82.04.44525), which authorizes a state business and occupation tax credit for those engaged in International Services in the designated Community Empowerment Zones, and

WHEREAS, in Resolution No. 34114, adopted July 14, 1998, the City has determined that designating an area of our community as a Community Empowerment Zone is critical in order to, in part, encourage long-term private investments and achieve sustainability through development of support infrastructure, informal information channels, and labor pools with specific skills that meet target industry needs, and

WHEREAS the City designated an area consisting generally of the Port of Tacoma, downtown, upper Tacoma, and a section of Tacoma's eastside (the eight census tracts are 602, 613, 614, 616.01, 616.02, 617, 621, and 622) within

the City to be a Community Empowerment Zone to allow those engaged in international services to be eligible for the business and occupation tax credit authorized in RCW 82.04.44525, and

WHEREAS the City has had success in attracting and growing international services companies to our Community Empowerment Zone and desires to further increase the pace of such attraction and growth, and

WHEREAS the City Council has, by Resolution No. 37508, established an International Financial Services Area within the Community Empowerment Zone as a special emphasis area, the purpose of which is to encourage the retention, expansion, and recruitment of employers and developers of high-rise buildings for employers engaged in international financial services or in providing other professional services; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That the City Council makes the following findings and conclusions:

A. Through the report presented by Angelou Economics to the City Council in June 2007, which the City hereby adopts, the International Financial Services Sector is a category (within the more general category of International Services) of particularly high-wage employers that Tacoma should encourage to locate within the International Financial Services Area;

B. Companies engaged in International Financial Services in the City are among the largest private companies in the City paying local business and occupation tax;

C. Companies engaged in providing international financial services have shown themselves to be major employers of the graduates from our colleges and institutions employing growing numbers of college graduates who have gone through our community's regional K-12 system and enabling them to establish careers while continuing to live in their own community;

D. The City and its citizens will benefit more from the growth of International Financial Services companies in Tacoma through the creation of additional jobs, supplier opportunities, and additional economic development multipliers than from the revenue provided by the collection of the Local Business and Occupation ("B & O") tax (at a current tax rate of .00275, down from .005 in 1991) when applied to the International Financial Services Classification of companies;

E. The phasing out of the tax rate imposed on this classification, followed by the implementation of a tax deduction in 2013, will provide for an orderly transition, enabling the City of Tacoma to adjust gradually to the loss of revenue from this source.

Section 2. That Section 6A.30.050 of the Tacoma Municipal Code ("TMC") is amended to reduce the City's local B & O tax rate for those engaged in the business of international investment management services for the years 2009 through 2012, as specifically outlined in Exhibit "A."

Section 3. That TMC 6A.30.100 is amended and that effective January 1, 2013, those engaged in the business of international investment management services are entitled to a B & O tax deduction, as outlined in Exhibit "B."

Passed \_\_\_\_\_

Attest:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

Approved as to Form:

\_\_\_\_\_  
Assistant City Attorney

## EXHIBIT "A"

### 6A.30.050 Imposition of the tax – Tax or fee levied.

<b>Tax Classification</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Buying and Wholesaling Wheat, Oats, Corn, Barley	0.0001	0.0001	0.0001	0.0001
Extracting	0.0011	0.0011	0.0011	0.0011
International Investment Management Services	0.00055	0.0011	0.00165	0.0022
Manufacturing	0.0011	0.0011	0.0011	0.0011
Printing & Publishing Newspaper	0.00153	0.00153	0.00153	0.00153
Public Road Construction	0.0011	0.0011	0.0011	0.0011
Retail Services	0.004	0.004	0.004	0.004
Retailing	0.00153	0.00153	0.00153	0.00153
Service & Other	0.004	0.004	0.004	0.004
Wholesaling	0.00102	0.00102	0.00102	0.00102

<b>Tax Classification</b>	<b>2005 through 2008</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
Buying and Wholesaling Wheat, Oats, Corn, Barley	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Extracting	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011
International Investment Management Services	0.00275	0.00275	0.00275	0.00275	0.00275	0.00275
Manufacturing	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011
Printing & Publishing Newspaper	0.00153	0.00153	0.00153	0.00153	0.00153	0.00153
Public Road Construction	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011
Retail Services	0.004	0.004	0.004	0.004	0.004	0.0042
Retailing	0.00153	0.00153	0.00153	0.00153	0.00153	0.00153
Service & Other	0.004	0.004	0.004	0.004	0.004	0.0042
Wholesaling	0.00102	0.00102	0.00102	0.00102	0.00102	0.00102

<b>Tax Classification</b>	<b>1999</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1994</b>
Buying and Wholesaling Wheat, Oats, Corn, Barley	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Extracting	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011
International Investment Management Services	0.00275	0.00275	0.00275	0.00275	0.0048	0.0048
Manufacturing	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011
Printing & Publishing Newspaper	0.002	0.002	0.002	0.002	0.002	0.002
Public Road Construction	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011
Retail Services	0.0044	0.0046	0.0048	0.0048	0.0048	0.0048
Retailing	0.00153	0.00153	0.00153	0.00153	0.00153	0.00153
Service & Other	0.0044	0.0046	0.0048	0.0048	0.0048	0.0048
Wholesaling	0.00102	0.00102	0.00102	0.00102	0.00102	0.00102

<b>Tax Classification</b>	<b>1993</b>	<b>1992</b>	<b>1991</b>	<b>1990</b>	<b>1989 and prior years</b>
Buying & Wholesaling Wheat, Oats, Corn, Barley	0.0001	0.0001	0.0001	0.0001	0.0001
Extracting	0.0011	0.0011	0.0011	0.0011	0.0011
International Investment Management Services	0.0048	0.0048	0.005	0.005	0.005
Manufacturing	0.0011	0.0011	0.0011	0.0011	0.0011
Printing & Publishing Newspaper	0.002	0.002	0.002	0.002	0.002
Public Road Construction	0.0011	0.0011	0.0011	0.0011	0.0011
Retail Services	0.0048	0.0048	0.005	0.005	0.005
Retailing	0.00153	0.00153	0.00153	0.00153	0.0015
Service & Other	0.0048	0.0048	0.005	0.005	0.005
Wholesaling	0.00102	0.00102	0.00102	0.00102	0.001

A. Except as provided in Subsection B of this section, there is hereby levied upon and shall be collected from every person a tax for the act or privilege of engaging in business activities within the City, whether the person's office or place of business be within or without the City. The tax shall be in amounts to be determined by application of rates against gross proceeds of sale, gross income of business, or value of products, including by-products, as the case may be, as follows:

1. Upon every person engaging within the City in business as an extractor; as to such persons the amount of the tax with respect to such business shall be equal to the value of the products, including by-products, extracted within the City for sale or for commercial or industrial use, multiplied by the rate of eleven one-hundredths of 1 percent (0.0011). The measure of the tax is the value of the products, including by-products, so extracted, regardless of the place of sale or the fact that deliveries may be made to points outside the City.
2. Upon every person engaging within the City in business as a manufacturer; as to such persons the amount of the tax with respect to such business shall be equal to the value of the products, including by-products, manufactured within the City, multiplied by the rate of eleven one-hundredths of 1 percent (0.0011). The measure of the tax is the value of the products, including by-products, so manufactured, regardless of the place of sale or the fact that deliveries may be made to points outside the City.
3. Upon every person engaging within the City in the business of making sales at wholesale, except persons taxable under subsection (6) of this section; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of such sales of the business without regard to the place of delivery of articles, commodities, or merchandise sold, multiplied by the rate of one hundred two one-thousandths of 1 percent (0.00102).
4. Upon every person engaging within the City in the business of making sales at retail; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of such sales of the business without regard to the place of delivery of articles, commodities, or merchandise sold, multiplied by the rate of one hundred fifty-three one-thousandths of 1 percent (0.00153), except the activity of public road construction, defined as a sale at retail or retail sale under Section 6A.30.030, the amount of tax shall be equal to the gross proceeds of such activity multiplied by the rate set forth in Section 6A.30.050.A.2.
5. Upon every person engaging within the City in the business of (a) printing, (b) both printing and publishing newspapers, magazines, periodicals, books, music, and other printed items, (c) publishing newspapers, magazines, and periodicals, (d) extracting for hire, and (e) processing for hire; as to such persons, the amount of tax on such business shall be equal to the gross income of the business multiplied by the rate of one hundred fifty-three one-thousandths of 1 percent (0.00153).
6. Upon every person engaging within the City in the business of buying wheat, oats, corn, barley, and rye, but not including any manufactured or processed products thereof, and selling the same at wholesale, the tax imposed shall be equal to the gross proceeds derived from such sales multiplied by the rate of one one-hundredths of 1 percent (0.0001).
7. Upon every person engaging within the City in the business of making sales of retail services; as to such persons, the amount of tax with respect to such business shall be equal to the gross proceeds of sales multiplied by the rate of four-tenths of 1 percent (0.004). For years prior to 2002, the rates are as follows: (a) 1998 and years prior thereto would be forty-eight one-hundredths of 1 percent (0.0048); (b) 1999 would be forty-six one-hundredths of 1 percent (0.0046); (c) 2000 would be forty-four one-hundredths of 1 percent (0.0044); and (d) 2001 would be forty-two one-hundredths of 1 percent (0.0042).
8. Upon every person engaging in the business of providing international investment management services within the City; as to such persons, the amount of tax shall be equal to the gross income of the business multiplied by a rate of two hundred seventy-five one-thousandths of 1 percent (0.00275). Commencing January 1, 2009, the City shall decrease the rate from two hundred seventy-five one-thousandths of 1 percent (0.00275) to a rate of twenty-two one-hundredths of 1 percent (.0022). Commencing on January 1, 2010, the City shall decrease this rate to a rate of one hundred sixty-five one-thousandths of 1 percent (.00165). Commencing on January 1, 2011, the City shall decrease this rate to a rate of eleven one-hundredths of 1 percent (.0011). Commencing on January 1, 2012, the City shall decrease this rate to a rate of fifty-five one-thousandths of 1 percent (.00055).

9. Upon every other person engaging within the City in any business activity other than or in addition to those enumerated in the above subsections; as to such persons, the amount of tax on account of such activities shall be equal to the gross income of the business multiplied by the rate of four-tenths of 1 percent (0.004). This subsection includes, among others, and without limiting the scope hereof (whether or not title to material used in the performance of such business passes to another by accession, merger, or other than by outright sale), persons engaged in the business of developing or producing custom software or of customizing canned software, producing royalties or commissions, and persons engaged in the business of rendering any type of service which does not constitute a sale at retail, a sale at wholesale, or a retail service. For years prior to 2002, the rates are as follows: (a) 1998 and years prior thereto would be forty-eight one-hundredths of 1 percent (0.0048); (b) 1999 would be forty-six one-hundredths of 1 percent (0.0046); (c) 2000 would be forty-four one-hundredths of 1 percent (0.0044); and (d) 2001 would be forty-two one-hundredths of 1 percent (0.0042).

B. Beginning on or after January 1, 2003, the gross receipts tax imposed in this section shall not apply to any person whose gross proceeds of sales, gross income of the business, and value of products, including by-products, as the case may be, from all activities conducted within the City during any calendar year is less than \$20,000 or is equal to or less than \$5,000 during any quarter if on a quarterly reporting basis. (Ord. 27676 Ex. A; passed Dec. 18, 2007; Ord. 27297 § 1; passed Nov. 23, 2004)

## EXHIBIT "B"

### 6A.30.100 Deductions.

In computing the license fee or tax, there may be deducted from the measure of tax the following items:

A. Receipts from tangible personal property delivered outside the state. In computing tax, there may be deducted from the measure of tax under retailing or wholesaling amounts derived from the sale of tangible personal property that is delivered by the seller to the buyer or the buyer's representative at a location outside the state of Washington.

B. Amounts derived from program service fees, government grants and/or contract receipts, and private foundation grants by any organization organized and operated for charitable, educational, or other purposes which is exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1954, as amended; provided, however, that amounts derived from selling, altering, or repairing tangible personal property shall not be considered a deductible item.

C. Fees, dues, charges. In computing tax, there may be deducted from the measure of tax amounts derived from bona fide:

1. Initiation fees;
2. Dues;
3. Contributions;
4. Donations;
5. Tuition fees;
6. Charges made by a nonprofit trade or professional organization for attending or occupying space at a trade show, convention, or educational seminar sponsored by the nonprofit trade or professional organization, which trade show, convention, or educational seminar is not open to the general public;
7. Charges made for operation of privately operated kindergartens; and
8. Endowment funds.

This subsection shall not be construed to exempt any person, association, or society from tax liability upon selling tangible personal property or upon providing facilities or services for which a special charge is made to members or others. If dues are in exchange for any significant amount of goods or services rendered by the recipient thereof to members without any additional charge to the member, or if the dues are graduated upon the amount of goods or services rendered, the value of such goods or services shall not be considered as a deduction under this subsection.

D. Interest on investments or loans secured by mortgages or deeds of trust. In computing tax, there may be deducted from the measure of tax by those engaged in banking, loan, security, or other financial businesses, amounts derived from interest received on investments or loans primarily secured by first mortgages or trust deeds on non-transient residential properties.

E. Interest on obligations of the state, its political subdivisions, and municipal corporations. In computing tax, there may be deducted from the measure of tax by those engaged in banking, loan, security, or other financial businesses amounts derived from interest paid on all obligations of the state of Washington, its political subdivisions, and municipal corporations organized pursuant to the laws thereof.

F. Amounts expended as charges and service fees for trauma-related surgical, physician, nursing, hospital, and other appropriate patient care performed during initial acute hospitalization at a state-designated trauma facility; provided, however, that amounts derived from selling, altering, or repairing tangible personal property shall not be considered a deductible item.

G. Cash discount taken by purchaser. In computing tax, there may be deducted from the measure of tax the cash discount amounts actually taken by the purchaser. This deduction is not allowed in arriving at the taxable amount under the extracting or manufacturing classifications with respect to articles produced or manufactured, the reported values of which, for purposes of this tax, have been computed according to the “value of product” provisions.

H. Credit losses of accrual basis taxpayers. In computing tax, there may be deducted from the measure of tax the amount of credit losses actually sustained by taxpayers whose regular books of account are kept upon an accrual basis.

I. Sales at wholesale or retail of precious metal bullion and monetized bullion. In computing tax, there may be deducted from the measure of the tax amounts derived from the sale at wholesale or retail of precious metal bullion and monetized bullion. However, no deduction is allowed on amounts received as commissions upon transactions for the accounts of customers over and above the amount paid to other dealers associated in such transactions, and no deduction or offset is allowed against such commissions on account of salaries or commissions paid to salespersons or other employees.

J. Amounts representing rental of real estate for boarding homes. In computing tax, there may be deducted from the measure of tax amounts representing the value of the rental of real estate for “boarding homes.” To qualify for the deduction, the boarding home must meet the definition of “boarding home” and be licensed by the state of Washington under RCW 18.20. The deduction shall be in the amount of 26 percent of the gross monthly billing when the boarder has resided within the boarding home for longer than 30 days.

K. Radio and television broadcasting – Advertising agency fees – National, regional, and network advertising – Interstate allocations. In computing tax, there may be deducted from the measure of tax by radio and television broadcasters amounts representing the following:

1. Advertising agencies’ fees when such fees or allowances are shown as a discount or price reduction in the billing or that the billing is on a net basis (i.e., less the discount);
2. Actual gross receipts from national network and regional advertising, or a “standard deduction” as provided by RCW 82.04.280; and
3. Local advertising revenue that represent advertising which is intended to reach potential customers of the advertiser who are located outside the state of Washington. The Director may issue a rule that provides detailed guidance as to how these deductions are to be calculated.

L. Constitutional prohibitions. In computing tax, there may be deducted from the measure of the tax amounts derived from business which the City is prohibited from taxing under the Washington State Constitution or the Constitution of the United States.

M. Receipts From the Sale of Tangible Personal Property and Retail Services Delivered Outside the City but Within Washington. For tax reporting periods beginning on or after January 1, 2008, amounts included in the gross receipts reported on the tax return derived from the sale of tangible personal property delivered to the buyer or the buyer’s representative outside the City but within the State of Washington may be deducted from the measure of tax under the retailing, retail services, or wholesaling classification.

N. Professional employer services. In computing the tax, a professional employer organization may deduct from the calculation of gross income the gross income of the business derived from performing professional employer services that is equal to the portion of the fee charged to a client that represents the

actual cost of wages and salaries, benefits, workers' compensation, payroll taxes, withholding, or other assessments paid to or on behalf of a covered employee by the professional employer organization under a professional employer agreement. (Ord. 27676 Ex. A; passed Dec. 18, 2007; Ord. 27297 § 1; passed Nov. 23, 2004)

O. For tax reporting periods beginning on or after January 1, 2013 gross income as defined as investment management services and subject to tax under investment management services.

## **ORDINANCE NO. 27727**

L.I.D. No. 8644

AN ORDINANCE providing for the construction of permanent pavements, together with the installation of storm drain lines and storm water catch basins where needed at various locations in the City; creating Local Improvement District No. 8644; providing for a special fund for the payment of the improvement by special assessment upon the property within the district benefited thereby, for the issuance of warrants, installment notes, bond anticipation notes, or other short-term obligations to pay that part of the cost and expense of the improvement assessed against the property in the district, and for the payment of the remainder of the cost thereof.

WHEREAS all of the preliminary proceedings for the establishment of Local Improvement District (“L.I.D.”) No. 8644 have been taken as provided by law, and

WHEREAS the Hearings Examiner of the City, after public hearing duly held, has recommended to the City Council the formation of L.I.D. No. 8644; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That there shall be constructed a public works and improvement consisting of providing for construction of permanent alley pavement with storm drainage, together with all other work necessary to complete the project in accordance with the maps, plans, and specifications prepared and now on file in the office of the Director of the Department of Public Works Department, which maps, plans, and specifications are hereby adopted.

Section 2. That there is hereby created a local improvement district, to be known as L.I.D. No. 8644, which shall embrace as nearly as practicable all the property specially benefited by the improvements described above, which property is described as follows:

**Segment 1:** The alley between North 28th Street and North 29th Street, from Starr Street easterly approximately 256 feet, more or less, legally described as: Those portions of the Southeast Quarter of Section 30 and the Southwest Quarter of Section 29, Township 21, Range 3 East, W.M., legally described as follows:

All of Blocks 4 and 5, MAP of the TACOMA LAND and IMPROVEMENT COMPANY'S OLD TOWN ADDITION to TACOMA, as recorded in Volume 7 of Plats at page 55, records of Pierce County, Washington; together with Block 21, MAP of TACOMA CITY, as recorded in Volume 1 of Plats at Page 10, records of Pierce County, Washington. Except the south half of the south half of said Block 21. Situate in the City of Tacoma, County of Pierce, State of Washington.

**Segment 2:** The alley between North 8th Street and North 9th Street, from Adams Street to Proctor Street, legally described as follows:

That portion of the Northeast Quarter of Section 1, Township 20, Range 2 East, W.M., described as follows:

The South 40 feet of Lots 1 through 4, all of Lots 5 through 20, Block 3, BOGLE'S FIRST ADDITION to Tacoma, W.T., as recorded in Volume 2 of Plats at page 114, records of Pierce County, Washington; together with Lots 1 through 3, Lots 20 through 22 and Lots E and F, Block 3, GLENDALE ADDITION to Tacoma, Pierce County, Washington, as recorded in Volume 4 of Plats at pages 40-41, records of Pierce County, Washington; also together with Lots 1 and 2, the south 45 feet of Lots 3 through 7, the north 62.5 feet of Lots 8 through 11 and all of Lots 12 through 14, Block 1, POWER'S FIRST ADDITION to Tacoma, Washington, as recorded in Volume 9 of Plats at page 86, records of Pierce County, Washington. Situate in the City of Tacoma, County of Pierce, State of Washington.

**Segment 3:** The alley between "L" Street and "M" Street, from South 17<sup>th</sup> Street to South 19th Street, legally described as follows:

That portion of the South half of Section 5, Township 20, Range 3 East, W.M., described as follows:

All of Blocks 1724, 1725 and 1824, together with Lots 1 through 10 and the easterly 55 feet of Lots 11 and 12, Block 1825, MAP of NEW TACOMA, Washington Territory, as filed February 03, 1875, records of the Pierce County Auditor, inclusive of westerly and easterly portions of alley abutting, vacated by City of Tacoma Ordinances 1979 and 2962, and that portion of South 18<sup>th</sup> Street vacated by City of Tacoma Ordinance 26853; together with Block 1725, less the west 75 feet of Lots 1 through 3, COMMONWEALTH ADDITION to Tacoma, Washington, as recorded in Volume 7 of Plats at Pages 102-103,

records of the Pierce County Auditor. All Situate in the City of Tacoma, County of Pierce, State of Washington.

**Segment 4:** The alley between Sheridan Avenue and Cushman Avenue, from South 25th Street to South 28th Street, legally described as follows:

That portion of the Northwest Quarter of Section 8, Township 20, Range 3 East, W.M., described as follows:

The west 65 feet of Lots 1 through 3, all of Lots 4 through 24, Block 56, and all of Block 57, MAP of SMITH and FIFE'S ADDITION to New Tacoma, W.T., as recorded in Volume 1 of Plats at Page 6, records of Pierce County Washington. Situate in the City of Tacoma, County of Pierce, State of Washington.

**Segment 5:** The alley between Martin Luther King, Jr. Way and "L" Street from South 25th Street to South 27th Street, legally described as follows:

That portion of the Northeast Quarter of Section 8, Township 20, Range 3 East, W.M., described as follows:

The west 50 feet of Lots 1 through 3, all of Lots 4 through 23, and the west one-half of Lots 24 through 26, Block 50, together with the east 60 feet of the north 52.5 feet of Lots 1 and 2, the south one-half of Lot 2, and all of Lots 3 through 26, Block 51, MAP of SMITH and FIFE'S ADDITION to New Tacoma, W.T., as recorded in Volume 1 of Plats at Page 6, records of Pierce County, Washington. Situate in the City of Tacoma, County of Pierce, State of Washington.

Section 3: That the estimated cost and expense of the improvements is \$939,750.35 and that the total estimate assessed amount to the property owners is \$138,660.35 at a fixed rate of \$27.00 per assessable unit of frontage (AUF). The City's environmental services (Surface Water Utility) is contributing \$103,350.00 and the General Fund (L.I.D. Participation Fund) is contributing \$647,740.00. The proposed L.I.D. is a 10-year assessment roll. Actual assessments may vary from assessment estimates, so long as the assessments do not exceed the increased true and fair value the improvement adds to the property being assessed. At the option of the property owners, the assessments levied against the property shall

become due and payable in cash, without interest, within thirty days after publication of notice of assessment, or in ten (10) equal annual installments with interest on deferred payments at a rate to be hereafter fixed, but in no event greater than one-half percent above the rate of interest fixed upon sale of bonds for the district; and each year one of such installments, together with interest due thereon and on all installments thereafter to become due, shall be collected in the manner provided by law.

Section 4. That a special fund is hereby created, to be called Local Improvement Fund, District No. 8644, which shall consist in the aggregate of the several amounts assessed, levied, and collected upon the several lots and parcels of land in the local improvement district for the purpose of defraying the cost and expense of the improvement to be borne by the property within the district, and into which fund shall be deposited the proceeds of the sale of warrants, installment notes, bond anticipation notes, or other short-term obligations drawn against the fund which may be sold by the City. Out of the fund shall be paid the warrants, installment notes, bond anticipation notes, or other short-term obligations, interest thereon, and the cost of the improvement to be borne by the property included in the district.

Section 5. The Director of the Department of Public Works is hereby ordered to call for bids for said improvements, and to proceed and complete the improvements and to make out and certify to the City Council an assessment roll, all as provided by law.

In case no bid is accepted, the Director of Public Works is hereby authorized to proceed and complete the improvement by the method of day labor or force account and by use of materials, supplies, and equipment, as authorized by the City Charter and ordinances of the City. The Director of Public Works shall keep a separate account of the expenditures as made and the exact cost of the improvements separately computed. Upon certification by the Director of Public Works that any sums are due to any person for labor or materials for the improvements, the proper officers shall issue a warrant therefor drawn upon the L.I.D. Fund, District No. 8644. The Director of Public Works shall certify to the City Council the assessment roll on the property as provided by law.

Section 6. Under the provisions of the laws of the state of Washington, amendments thereto, and this ordinance, there shall be issued warrants, installment notes, bond anticipation notes, or other short-term obligations, issued pursuant to Ordinance No. 23412, as it may be amended, in payment of the cost and expense of the district, payable out of the Local Improvement District Fund. Such warrants, installment notes, bond anticipation notes, or other short-term obligations shall bear interest from the date of their issuance at a rate to be hereafter fixed by the Director of the Department of Finance in accordance with Ordinance No. 23412, and shall be redeemed from the Local Improvement District Fund or by other warrants, installment notes, bond anticipation notes, or other short-term obligations, or from the proceeds of local improvement bonds hereafter issued.

Section 7. Pursuant to the provisions of the laws of the state of Washington, the City Council hereby directs that the improvements be paid for by the City in cash and that the warrants, installment notes, bond anticipation notes, or other short-term obligations authorized to be issued under the provisions of this ordinance be sold by the proper officers of the City in accordance with Ordinance No. 23412, as it may be amended, and that the proceeds thereof shall be applied in payment of the cost and expense of the improvement.

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form and legality:

Property description approved:

\_\_\_\_\_  
Assistant City Attorney  
Public Works Department

\_\_\_\_\_  
Chief Surveyor