



## Legislation Passed October 28, 2008

The Tacoma City Council, at its regular City Council meeting of October 28, 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. 37633**

Authorizing the execution of a grant agreement with the Washington State Military Department, in the amount of \$250,401; accepting and depositing said sum into the Fire Special Revenue Fund, for computer hardware and software to support the Metropolitan Medical Response System.

### **Resolution No. 37634**

Authorizing the execution of a grant agreement with the Washington State Child Care Resource & Referral Network, in the amount of \$66,227; accepting and depositing said sum into the Human Rights and Human Services Special Revenue Fund, for the support of child care referral accreditation and services for Pierce County child care providers, for the period of July 30, 2008 through September 30, 2009.

### **Resolution No. 37635**

Authorizing the execution of an amendment to the grant agreement with the Washington State Child Care Resource & Referral Network, in the amount of \$255,350, for a cumulative total of \$654,678; accepting and depositing said sum into the Human Rights and Human Services Special Revenue Fund, for child care referral services for Pierce County parents and child care providers, for the period of October 1, 2008 through June 30, 2009.

### **Purchase Resolution No. 37636**

Awarding contracts to:

1. Solid Waste Systems, on its bid of \$213,800, plus sales tax, budgeted from the Solid Waste Operating Fund, for one (1) front loader refuse truck with body hoist – Specification No. PW08-0636F;
2. Capital Industries, Inc., on its bid of \$348,980, plus sales tax, budgeted from the Solid Waste Operating Fund, for 180 front-load and 30 rear-load metal drop-off solid waste containers – Specification No. PW08-0742F;
3. Water Recovery Services, Inc., in the amount of \$150,000 plus sales tax, budgeted from the Solid Waste Operating Fund, for groundwater extraction well rehabilitation services – Sole Source; and
4. Northrop Grumman Information Technology, Inc., in the amount of \$19,275, plus sales tax, for accumulative total of \$179,585, budgeted from the Fire Special Revenue Fund, for programming modifications to the Fire Department's Computer Aided Dispatch System – Sole Source.

**Resolution No. 37637**

Authorizing the execution of a purchase and sale agreement, in an amount not to exceed \$98,000, including the negotiated price of \$95,000, and back property taxes owed for the years 2007 and 2008, budgeted from the Capital Project Fund, to acquire vacant land located at 6405 McKinley Avenue for Tacoma Fire Department Station No. 15.

**Resolution No. 37638**

Authorizing the execution of an amendment to the agreement with Lighthouse Institute, LLC, in the amount of \$55,047.41, budgeted from the Information Systems Fund, for team development and human relations organization training for the Information Technology Department.

**Ordinance No. 27750**

Amending Chapter 1.30 of the Municipal Code, relating to Retirement and Pensions, to clarify the exclusion of compensation under Chapter 1.12.110.

**Ordinance No. 27751**

Amending Chapter 6A.110 of the Municipal Code, relating to the Multi-Family Property Tax Exemption program, extending the suspension of the acceptance of applications for the tax exemption for multi-family developments in the Tacoma Mall Mixed-Use Center to March 31, 2009.

## **RESOLUTION NO. 37633**

A RESOLUTION relating to the Metropolitan Medical Response System; authorizing the execution of an agreement with the Washington State Military Department to accept a grant, in the amount of \$250,401, to support the Metropolitan Medical Response System.

WHEREAS the City is one of three predetermined Washington cities provided federal grant funds to establish a local Metropolitan Medical Response System ("MMRS") plan for managing mass casualty incidents, especially during the first hours of the emergency, and

WHEREAS, on June 26, 2001, the City Council adopted Resolution No. 35194, establishing a local MMRS plan, and

WHEREAS previous grant funding was used for planning, training, equipment, pharmaceuticals, and exercises, and this additional \$250,401 represents the fiscal year 2007 funding from the U.S. Department of Homeland Security to continue the local MMRS program; Now, Therefore,

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

That the proper officers of the City are hereby authorized to enter into an agreement with the Washington State Military Department to accept a grant, in

the amount of \$250,401, to support the Metropolitan Medical Response System, said document to be substantially in the form of the proposed grant agreement on file in the office of the City Clerk.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

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

Approved as to form:

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

## **RESOLUTION NO. 37634**

A RESOLUTION relating to child care referral services; authorizing the execution of an agreement with the Washington State Child Care Resource & Referral Network, in the amount of \$66,227, for the support of child care referral accreditation and services for Pierce County child care providers.

WHEREAS the Washington State Child Care Resource & Referral Network wishes to enter into an agreement, in the amount of \$66,227, with the Human Rights and Human Services Department, and

WHEREAS, under the agreement, the City would provide support for child care referral accreditation and materials and supportive services for support child care providers; 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 agreement with the Washington State Child Care Resource & Referral Network, in the amount of \$66,227, and deposit said funds into the Human Rights and Human Services Special Revenue Fund for the support of child care referral accreditation and services for Pierce County child care providers for the period

of July 30, 2008, through September 30, 2009, 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:

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

## **RESOLUTION NO. 37635**

A RESOLUTION relating to child care referral services; authorizing the execution of an amendment to the agreement with the Washington State Child Care Resource & Referral Network, in the amount of \$255,350, for a total contract amount of \$654,678, for the support of child care referral services for Pierce County parents and Pierce County child care providers.

WHEREAS, on July 17, 2007, the City Council adopted Resolution No. 37232, authorizing the execution of an agreement with the Washington State Child Care Resource & Referral Network ("WSCCRRN"), in the amount of \$311,206, for child care referral services for Pierce County parents and training and technical assistance support to child care providers, and

WHEREAS, in March 2008, the agreement was amended, in the amount of \$3,000, bringing the total amount to \$314,206, and

WHEREAS, on August 5, 2008, the City Council adopted Resolution No. 37562, amending the agreement, in the amount of \$85,122, for a total contract amount of \$399,328, and

WHEREAS the WSCCRRN wishes to increase the agreement, in the amount of \$255,350, for a total agreement amount of \$654,678, and extend the period from October 1, 2008, through June 30, 2009, for the support of child care referral services for Pierce County parents and Pierce County child care providers; 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 amendment to the agreement with the Washington State Child Care

Resource & Referral Network, in the amount of \$255,350, for a total contract amount of \$654,678; and deposit said funds into the Human Rights and Human Services Special Revenue Fund for the support of child care referral services for Pierce County parents and Pierce County child care providers for the period of October 1, 2008, through June 30, 2009, said document to be substantially in the form of the proposed amendment on file in the office of the City Clerk.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

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

Approved as to form:

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



## RESOLUTION NO. 37636

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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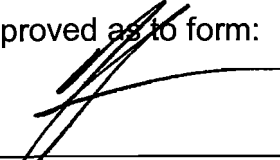
( ) C. Entry into the proposed purchasing agreement with those governmental entities identified in the attached Exhibit "A," which proposed agreement is on file in the office of the City Clerk;

( x ) 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



**Tacoma**

**City of Tacoma**  
Public Works Department

EXHIBIT "A"

RESOLUTION NO.: 37636

ITEM NO.: 1

MEETING DATE: OCTOBER 28, 2008

**DATE:** October 13, 2008

**TO:** Board of Contracts and Awards

**SUBJECT:** Purchase of One (1) Front Loader Refuse Truck with Body Hoist Option  
Budgeted from PW Solid Waste Fund 4200  
Specification No. PW08-0636F

**RECOMMENDATION:** Public Works Solid Waste Management (SWM) recommends that a contract in the amount of \$213,800.00, plus sales tax, be awarded to low bidder **Solid Waste Systems, in Spokane, Washington**, for the purchase of one (1) front loader refuse truck with body hoist. This will be a one (1) year contract with the option for two one-year renewals.

**EXPLANATION:** This truck will allow for the expansion of the Commercial Cardboard Recycling Program in the City of Tacoma, help increase collection efficiency and reduce overtime for the Solid Waste Collector/Drivers.

**COMPETITIVE BIDDING:** Specification No. PW08-0636F was opened September 9, 2008. Six (6) companies were invited to bid in addition to normal advertising. Each total bid includes the cost of the truck and body hoist.

Bidder	Location	Total Bid (plus sales tax)
<b>Solid Waste Systems</b>	<b>Spokane, WA</b>	<b>\$ 213,800.00</b>
Peterbilt/Amrep	Seattle, WA	\$ 214,136.93
Peterbilt/New Way	Seattle, WA	\$ 216,465.98
Freightliner/New Way	Pacific, WA	\$ 228,146.75
Peterbilt/Pendpac	Seattle, WA	\$ 231,012.31
Peterbilt/Heil	Seattle, WA	\$ 233,141.96
	Pre-Bid Estimate	\$ 250,000.00

The recommended award is approximately 14.5% below the pre-bid estimate.

**CONTRACT HISTORY:** New contract.

**FUNDING:** Funds for this are available in the PW Solid Waste Fund 4200.

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

**PROJECT COORDINATOR:** Floyd Wilson, Solid Waste Fleet Manager, at 572-2408.

Dan C. Thompson, Ph.D  
Interim Asst. P.W. Director/Environmental Services

- cc: Jim Wilkerson, Purchasing Analyst
- Percy Jones, HALO
- Peter Guzman, HALO
- Solid Waste Management/Sarah Quintana
- Solid Waste Management/Monica Tipton



**City of Tacoma**  
Public Works Department  
October 9, 2008

EXHIBIT "A"  
RESOLUTION NO.: 37636  
ITEM NO.: 2  
MEETING DATE: OCTOBER 28, 2008

**TO:** Board of Contracts and Awards

**SUBJECT:** Purchase of 180 Front-Load and 30 Rear-Load  
Metal Drop-Off Solid Waste Containers  
Budgeted from PW Solid Waste Operating Fund 4200  
Specification No. PW08-0742F

**RECOMMENDATION:** Public Works - Solid Waste Management (SWM) recommends that a contract in the amount of \$348,980.00 (not including sales tax) be awarded to low bidder **Capital Industries, Inc., Seattle, WA**, to purchase 180 front-load and 30 rear-load metal drop-off solid waste containers. This will be a one (1) year contract with the option for two (2) one-year renewals.

**EXPLANATION:** These containers will be used to replace aging solid waste containers and replenish the existing stock.

**COMPETITIVE BIDDING:** Specification No. PW08-0742F was opened September 30, 2008. Three (3) companies were invited to bid in addition to normal advertising.

Bidder	Location	Total Bid (not including sales tax)
<b>Capital Industries, Inc.</b>	<b>Seattle, WA</b>	<b>\$348,980.00</b>
Custom Manufacturing & Design LLC	Ridgefield, WA	\$386,990.00
SteelForm, Inc.	Phoenix, AZ	\$402,955.00
	Pre-bid Estimate:	\$357,920.00

The recommended award is approximately 2.6 percent below the pre-bid estimate.

**CONTRACT HISTORY:** New contract.

**FUNDING:** Funds for this are available in the PW Solid Waste Operating Fund 4200.

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

**PROJECT COORDINATOR:** Rick Coyne, Solid Waste Collection Supervisor, at 593-7707.

Dan C. Thompson, Ph.D  
Interim Asst. P.W. Director/Environmental Services

cc: Jim Wilkerson, Purchasing Analyst  
Percy Jones/Peter Guzman, HALO  
Public Works Intern  
Sarah Quintana, Solid Waste Management  
Monica Tipton, Solid Waste Management  
Kenneth Tross, SWM Division Manager



City of Tacoma  
Public Works Department  
October 8, 2008

EXHIBIT "A"

RESOLUTION NO.: 37636

ITEM NO.: 3

MEETING DATE: OCTOBER 28, 2008

DATE:

TO: Board of Contracts and Awards

SUBJECT: Waiver of Competitive Bidding Request – Sole Source  
Groundwater Extraction Well Rehabilitation at Tacoma Landfill  
Budgeted from PW Solid Waste Fund 4200

**RECOMMENDATION:** The Public Works Department Solid Waste Management Division requests a waiver of competitive procurement procedures and recommends that a contract in the amount of \$150,000, plus sales tax, be awarded to **Water Recovery Services, Inc. (WRS), Spokane, WA**, for groundwater extraction well rehabilitation services.

**EXPLANATION:** In 1991, the City executed a Consent Decree with the Environmental Protection Agency to clean up the Tacoma Landfill Superfund site. Under the Consent Decree, the City has an on-going obligation to operate and maintain a groundwater extraction system.

This contract would compensate WRS for groundwater extraction well rehabilitation services which are essential to maintaining the groundwater extraction system. WRS is the sole source provider of the Aqua Freed (carbon dioxide freezing) extraction well rehabilitation method. This is an on-going project, with an estimated cost of \$150,000 plus applicable taxes, for a three-year period.

**COMPETITIVE BIDDING:** Waiver of competitive bidding requested due to sole source. WRS is the only company that provides this service in the state of Washington. WRS will provide extraction well rehabilitation services to Solid Waste Management on an as-needed basis.

**CONTRACT HISTORY:** New contract.

**FUNDING:** Funds for this are available in the PW Solid Waste Fund 4200.

**HUB/LEAP COMPLIANCE:** Not applicable.

**PROJECT ENGINEER/COORDINATOR:** Cal Taylor, Environmental Services, 593-7711.

Dan C. Thompson, Ph.D.  
Interim Asst. P. W. Director/Environmental Services

(DCT:CDT:ksb) C&A Waiver

cc: Jim Wilkerson, Purchasing Analyst  
Public Works Intern



City of Tacoma  
Fire Department

EXHIBIT "A"

RESOLUTION NO.:

37636

ITEM NO.:

4

MEETING DATE:

OCTOBER 28, 2008

DATE: October 6, 2008

TO: Board of Contracts and Awards

SUBJECT: Waiver of Competitive Bidding Request - Sole Source  
AMENDMENT OF AGREEMENT WITH NORTHROP GRUMMAN INFORMATION  
TECHNOLOGY FOR EXPERT COMPUTER PROGRAMMING SERVICES FOR FIRE  
DEPARTMENT COMPUTER AIDED DISPATCH SYSTEM  
Budgeted from the Fire Special Revenue Fund 1090

**RECOMMENDATION:** The Tacoma Fire Department requests a waiver of competitive procurement procedures and recommends that an increase of \$19,275 plus tax be authorized for the existing contract with **Northrop Grumman Information Technology, Inc., Chantilly, Virginia**, to a total contract amount of \$179,585 plus tax for programming modifications to the Fire Department's Computer Aided Dispatch System (CADS).

**EXPLANATION:** The proposed increase funds additional programming for enhancements to CADS. The CADS is a proprietary custom computer application. Northrop Grumman has licensed the use of the software to the City of Tacoma. Northrop Grumman is the sole source manufacturer and software maintenance provider.

**COMPETITIVE BIDDING:** Waiver of competitive bidding requested due to sole source. To ensure that any modifications performed to the application work correctly and appropriately with the existing software code and to ensure that any work done will work with any future product upgrades or improvements, the work must be performed by Northrop Grumman.

**CONTRACT HISTORY:** A sole source contract in the amount of \$160,310 plus tax was approved by the City Council in Resolution No. 37481, May 20, 2008. An emergency increase to the contract in the amount of \$14,639 plus tax was approved by the City Manager September 4, 2008, in order to complete additional programming work prior to the October 1 project "Go-Live" date to begin dispatching units of Central Pierce Fire & Rescue. The Fire Department is now proposing this additional computer enhancement totaling \$4,636 plus tax. This request authorizes both the emergency increase and further requested addition. The City's existing contract with Northrop Grumman would be increased to a new total of \$179,585 plus tax.

**FUNDING:** Funds for the proposed increase are available in the 2007-2008 Fire Special Revenue Fund 1090 budget, Cost Center 668500, Cost Element 5310100.

**HUB/LEAP COMPLIANCE:** Not applicable.

**PROJECT ENGINEER/COORDINATOR:** Michael Fitzgerald, (253) 591-5157

RONALD W. STEPHENS  
Fire Chief

RWS:MF:mw

cc: Jayne McCartney, Finance/Purchasing

## **RESOLUTION NO. 37637**

A RESOLUTION relating to the purchase of real property; authorizing the execution of a purchase and sale agreement, in an amount not to exceed \$98,000, including the negotiated price of \$95,000, and back property taxes owed for the years 2007 and 2008, budgeted from the Capital Project Fund, to acquire vacant land located at 6405 McKinley Avenue for Tacoma Fire Department Station No. 15.

WHEREAS, in 2006, Tacoma Fire Department Station No. 15 (“TFD Station”) was temporarily relocated to South 64th Street and McKinley Avenue to enhance emergency response to the eastside neighborhood, and

WHEREAS the current TFD Station is temporary and will need to be replaced, and

WHEREAS there is vacant land, located at 6405 McKinley Avenue, Tacoma, that is adjacent to the existing TFD Station, and

WHEREAS acquisition of the vacant land will enable the TFD to provide a future and permanent station to be located on the site, and

WHEREAS staff recommends that it is in the City’s best interests to purchase the vacant land; 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 a purchase and sale agreement, in an amount not to exceed \$98,000, including the negotiated price of \$95,000, and back property taxes owed for the years 2007 and 2008, budgeted from the Capital Project Fund, to acquire vacant land

located at 6405 McKinley Avenue for Tacoma Fire Department Station No. 15,  
said document to be substantially in the form of the proposed purchase and  
sale agreement on file in the office of the City Clerk.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

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

Approved as to form:

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

## **RESOLUTION NO. 37638**

A RESOLUTION relating to information technology systems; authorizing the execution of an amendment to an agreement with Lighthouse Institute, LLC, in the amount of \$6,047.41, for a total contract amount of \$55,047.41, budgeted from the Information Systems Fund, to provide training for the Information Technology Department.

WHEREAS, as a result of the SAP performance audit, it was determined that the support division within the City's Information Technology Department needed to address training and communication issues, and

WHEREAS, on or about January 11, 2008, the City executed an agreement with Lighthouse Institute, LLC, in the amount of \$49,000, to provide team development and human relations organization training, and

WHEREAS the parties wish to amend the agreement, in the amount of \$6,047.41, for additional training; 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 amendment to the agreement with Lighthouse Institute, LLC, in the amount of \$6,047.41, for a total contract amount of \$55,047.41, budgeted from the Information Systems Fund, to provide for team development and human

relations organization training for the Information Technology Department, said document to be substantially in the form of the proposed amendment on file in the office of the City Clerk.

Adopted \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

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

Approved as to form:

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

## ORDINANCE NO. 27750

AN ORDINANCE relating to retirement and pensions; clarifying the exclusion of compensation under subsection 1.12.110.H of the Tacoma Municipal Code; and amending Sections 1.30.130 and 1.30.150 of the Tacoma Municipal Code.

WHEREAS the Board of Administration of the City of Tacoma Employees' Retirement System has determined that it is reasonable and appropriate to amend provisions of the Retirement Code to clarify the definition of compensation to exclude certain additional compensation; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That Section 1.30.130 of the Tacoma Municipal Code is amended, as set forth in the attached Exhibit "A," and shall become effective January 1, 2009.

Section 2. That Section 1.30.150 of the Tacoma Municipal Code is hereby amended, as set forth in the attached Exhibit "B," and shall become effective January 1, 2009.

Passed \_\_\_\_\_

\_\_\_\_\_  
Mayor

Attest:

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

Approved as to form:

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

## EXHIBIT "A"

### 1.30.130 Compensation defined.

A. "Compensation" means the regular monthly salary provided in the Compensation Plan of the City for such member. It shall not be reduced by salary reduction contributions to (i) the City's Cafeteria Plan under Section 125 of the Internal Revenue Code, (ii) the City's Eligible Deferred Compensation Plan under Internal Revenue Code Section 457 (or City contributions in lieu of thereof), (iii) effective December 21, 2004, the Post-Employment Health Savings Plan established by the City pursuant to TMC 1.12.116.C, or (iv) effective January 1, 2001, any qualified transportation fringe benefit plan under Internal Revenue Code Section 132(f)(4), but shall be reduced by contributions under Internal Revenue Code Section 457(f), contributions to such Plan as may be established by the City pursuant to TMC 1.12.116.B, and permissible cash-out payments of accrued Personal Time Off as provided for in TMC 1.12.248.B.5. It includes compensation for emergency appointments when a member has a current civil service appointment in another class other than that for which he or she is being paid. It also includes donated sick leave received and personal time taken, pursuant to Section 1.12.248 of the Tacoma Municipal Code, and earnings on overtime worked through December 31, 1999. It does not include earnings on overtime worked on or after January 1, 2000, Training Pay, Standby Pay, Night Premium, Lunch Premium, Travel Time Pay, Accident Report Pay, Penalty Pay, Student Instruction Pay, or Holiday Pay which result in the member contributing on over 2,080 hours

annually, and corresponding categories of pay defined by a Member Public

Agency's compensation plan and/or personnel rules. Effective January 1, 2009, it does not include amounts paid pursuant to TMC 1.12.110.H.

B. In addition to other applicable limitations set forth in this chapter, and notwithstanding any other provisions of this chapter to the contrary for fiscal years beginning on or after January 1, 1996, the annual compensation of each member taken into account shall not exceed the Omnibus Budget Reconciliation Act of 1993 (hereafter "OBRA '93") annual compensation limit; provided, that the OBRA '93 limit shall only apply with respect to the compensation of members who become members on or after January 1, 1996. The OBRA '93 annual compensation limit shall be the amount, as adjusted by the Commissioner for increases in the cost of living, set forth in Section 401(a)(17) of the Internal Revenue Code. For purposes of determining benefit accruals in a plan year beginning after December 31, 2001, compensation for any prior plan year shall be limited to \$200,000, or such greater amount allowed by law for members who became members before January 1, 1996.

## EXHIBIT "B"

### **1.30.150 Average final compensation defined.**

The "average final compensation" means the average annual compensation, as set forth in the basic salary and wage schedule of the City's Compensation Plan, for the highest two consecutive years of service prior to retirement, unreduced by salary reduction contributions to (i) the City's Cafeteria Plan under Internal Revenue Code Section 125, (ii) the City's Eligible Deferred Compensation Plan under Internal Revenue Code Section 457, (or City contributions in lieu thereof), or (iii) effective December 21, 2004, the Post-Employment Health Savings Plan established by the City pursuant to TMC 1.12.116.C, or (iv) effective January 1, 2001, any qualified transportation fringe benefit plan under Internal Revenue Code Section 132(f)(4), but shall be reduced by contributions under Internal Revenue Code Section 457(f), contributions to such Plan as may be established by the City pursuant to TMC 1.12.116.B, and permissible cash-out payments of accrued Personal Time Off as provided for in TMC 1.12.248B.5, or if the member has less than two years of service, then the annual average compensation during his or her total years of service for which service credit is allowed. It includes donated sick leave received and personal time taken, pursuant to Section 1.12.248 of the Tacoma Municipal Code, and compensation for emergency appointments when the member has a current civil service appointment in another class other than that for which he or she is being paid. It does not include overtime earnings, Training Pay, Standby

Pay, Night Premium, Lunch Premium, Travel Time Pay, Accident Report Pay, Penalty Pay, Student Instruction Pay, Holiday Pay, or other pay which would result in the member contributing on over 2,080 hours annually and corresponding categories of pay defined by a Member Public Agency's compensation plan and/or personnel rules. Average final compensation shall not include compensation received while serving in a position in which the employee is excluded from membership pursuant to Section 1.30.300. Effective January 1, 2009, it does not include amounts paid pursuant to TMC 1.12.110.H. In addition to other applicable limitations set forth in this chapter, and notwithstanding any other provision of this chapter to the contrary, for fiscal years beginning on or after January 1, 1996, the annual compensation of each member taken into account shall not exceed the OBRA '93 annual compensation limit; provided, that the OBRA '93 limit shall only apply with respect to the compensation of members who become members on or after January 1, 1996. The OBRA '93 annual compensation limit is defined in Section 1.30.130.

## **ORDINANCE NO. 27751**

AN ORDINANCE relating to the Multi-Family Property Tax Exemption program; extending the date for suspending the acceptance of applications for the tax exemption for all multi-family developments in the Tacoma Mall Mixed-Use Center; and amending and re-numbering Chapter 6A.110.020 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 the City has, through Ordinance No. 27725, made detailed findings and amended TMC 6A.110.020 to suspend the acceptance of all property tax exemption applications for the Tacoma Mall Mixed Use Center until January 1, 2009, and

WHEREAS, based on the findings outlined in Ordinance No. 27725, the City continues to find 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, and

WHEREAS based on the additional findings below, the City desires to extend the suspension of all property tax exemption applications in the Tacoma Mall Mixed-Use Center until March 31, 2009, and

WHEREAS, when Section 6A.110.020 of the Tacoma Municipal Code was recently codified, after the passing of Ordinance No. 27729, the new subsection detailing the suspension of applications for the Tacoma Mall Mixed-Use Center was inadvertently deleted; and

WHEREAS, Section 6A.110.020 of the Tacoma Municipal Code needs to be re-numbered to accurately reflect the current state of the City's ordinances; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

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

A. 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 now anticipated that this effort is to be completed no later than March 31, 2009.

B. Therefore, the City Council concludes that it is in the City's best interests to not provide an incentive under the Property Tax Exemption program

in the Tacoma Mall Mixed Used Center at this time, and to suspend all applications for the Property Tax Exemption for Multi-Family Housing in the Tacoma Mall Mixed-Use Center until March 31, 2009.

Section 2. That Section 6A.110.020 of the Tacoma Municipal Code (and Ordinance No. 22725) is hereby amended, and re-numbered, 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. Vacancy Requirement. The project must not displace existing residential tenants of structures that are proposed for redevelopment. Existing dwelling units proposed for rehabilitation must have been unoccupied for a minimum of 6 months prior to submission of application and must have one or more violations of the City's minimum housing code. Applications for new construction cannot be submitted for vacant property upon which an occupied residential rental structure previously stood, unless a minimum of 6 months has elapsed from the time of most recent occupancy.

7. Until March 31, 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.