

CITY OF TACOMA

Office of Management & Budget

TO: Fiscal Sustainability Task Force

FROM: Andy Cherullo, Finance Director, and Tadd Wille, Budget Officer

SUBJECT: **RESPONSE TO REQUEST FOR INFORMATION ON PORT OF TACOMA**

DATE: October 14, 2013

This correspondence provides answers to questions that have arisen from Task Force Members regarding the relationship between the City of Tacoma and the Port of Tacoma. Specifically, Task Force members requested information on the levels of services provided to the Port of Tacoma, any collaborative efforts by the City of Tacoma and the Port to share these costs of providing the services, and the relationship between other cities and the ports in their jurisdictions.

The Port of Tacoma also provided a response to the Task Force's questions in a separate memo.

Public Safety Services

Basic Responses

The Tacoma Police Department (TPD) provides routine and emergency policing services for the Port of Tacoma. The Port of Tacoma also has a uniformed non-commissioned security force which handles access and general security issues. The Port of Tacoma does not have TPD officers directed assigned to the area. The Port area is covered by two officers assigned to NE Tacoma. Officers from Downtown will also cover a call at the Port when needed.

The Tacoma Police Department reviewed the number of calls for service received from the Port of Tacoma area. The actual number of calls for service directly related to the port was small. A major freeway runs through the Port area with a number of exits off of I-5. Many of the calls for service are related to traffic volume independent of Port of Tacoma activities. A large percentage of the calls were officer initiated; i.e. traffic stops and field contacts. In addition, 8% of the calls were to the Federal detention center from September 2011 to August 2012, most for medical aid. From September 2010 to August 2011 the Tacoma Police Department responded to 1,857 calls for service. These calls composed approximately 1.5% of annual citywide calls. From September 2011 to August 2012 the Tacoma Police Department responded to 1,524 calls, approximately 1.3% of annual citywide calls for service.

The Tacoma Fire Department also provides basic emergency response services and fire boat services to the Port of Tacoma. From January 2011 through August 2013, emergency incidents at port-owned properties represented less than one percent of the total number of emergency incidents in our entire jurisdiction. Port of Tacoma incidences represented 0.51% of total 2011 citywide calls and 0.63% of total 2012 citywide calls.

Additional Services and Partnership with Port of Tacoma

The Tacoma Police Department is the primary agency responsible for response and mitigation of any potential terrorist or large scale incidents at the Port. In the aftermath of the 9/11 terrorist attack, the Federal Government provided significant funding to local agencies for training and to purchase equipment. Due to the responsibilities that the Department has to respond to issues at the Port, the Police Department has received millions of dollars in grants for both training and equipment. Although this

equipment and training were provided to address issues at the Port, the department and City as a whole has benefited by having a greater capability in these areas.

The Tacoma Police Department has received over \$4 million dollars in direct grants related to the Port of Tacoma in the years 2006-2013 (this total includes Homeland Security Grants not included in the total provided by the Port of Tacoma). If it were not for the relationship with the Port, the Tacoma Police Department would not have received these grants for funding or training.

Street Services

Basic Services

The City of Tacoma provides maintenance and major construction on roads and bridges that serve the Port of Tacoma. In terms of maintenance, the Port receives a similar level of service as other areas in the City of Tacoma. From 2010-2013, the City paid \$310,000 for street maintenance projects in the Port, including: grind and paving, temporary patching, and Right-of-Way mowing.

Major Projects

The City of Tacoma also works on major construction projects in the Port of Tacoma. Some of these projects have received significant financial support from the Port of Tacoma. For example, the Hylebos Bridge project was a \$23.3 million project completed by the City. The City and Port partnered on the grant application and both provided \$2 million in match dollars to secure \$11.75 million in federal grant dollars. In addition, the Port of Tacoma purchased a street vacation worth approximately \$7.5 million which helped complete the Hylebos Bridge project. The Port also committed \$500,000 to the Puyallup Ave Bridge project. The project has cost \$4 million to date.

Currently, the City is working on the Port of Tacoma Road reconstruction. It is currently funded at \$531,000 for design. Public Works applied for a \$6.5M grant for construction dollars in partnership with the Port of Tacoma. The Port has committed \$500,000 to this project.

The City has also completed significant projects in the port that have not received financial support from the Port of Tacoma, including the Lincoln Ave Bridge project (\$3 million), Murray Morgan Bridge (\$50 million), and Milwaukee Way pavement overlay (\$867,000).

Leasehold Excise Tax

Leasehold Excise Taxes are the primary source of revenue from the Port's tenants. In 2012, the City of Tacoma received \$1.1 million in leasehold excise tax revenues.

Relationships Between Cities and Ports

Staff contacted Vancouver, WA, Everett, WA, and Seattle, WA. In general, all of these cities described similar relationships with the ports in their communities. These cities partner with their respective ports for grant applications and funding that specifically supports services related to the port. The ports help support major transportation projects that provide benefits for the port. In general the ports did not regularly contribute more than legally required. None of the communities receive ongoing funding from ports to pay for services provided to the port, such as fire and police.