



TO: Hyun Kim, Interim City Manager
FROM: Council Member Olgy Diaz and Senior Council Policy Analyst Lynda Foster
COPY: City Clerk and City Council
SUBJECT: **Resolution– Directing the City Manager create a centralized grant tracking system and establish a policy to require Council approval to accept certain grants – December 2, 2025**
DATE: November 19, 2025

SUMMARY AND PURPOSE:

A resolution directing the City Manager to create a centralized grant tracking system and to require Council approval for certain grants.
[Council Member Olgy Diaz]

COUNCIL SPONSORS:

Mayor Woodards and Council Members Diaz and Hines

BACKGROUND:

The City of Tacoma actively seeks grant funding for projects in alignment with Council priorities and community need. The current process for accepting grants includes reviews from staff such as Legal, Finance, and department directors. City staff can apply for, receive, and enter into contracts for grants without the public or the City Council’s direct knowledge. While staff’s efforts are to advance Council priorities, there is not a formal approval mechanism to ensure grant application, grant acceptance and grant-funded programs meet Council and community expectations. The grant-funded programs may also be structured to require local resources to match grant amounts or that the City continue to support grant funded programs after the grant funds are exhausted. This may place additional strain on resources, and/or may create disappointment in community if the grant programs are unable to be continued after grant funding is exhausted.

This resolution directs the City Manager to create a centralized grant tracking system to monitor all grants applied for and received by the City.

The resolution further directs the City Manager to create an approval process for receiving grants, incorporating the following guidelines:

- Require City Council approval, via consent agenda, for the City to accept grants which:
 - Are over \$100,000 and fund operations, or that have the potential to require or create expectation of continued funding after the life of the grant.
 - Are over \$500,000 and fund capital projects, and as required by the funding agency.
- In the case of a tight timeline for accepting a grant, the City Manager should have authority to approve acceptance, followed by confirmation by the full City Council at the next available Council meeting. Emergency approval is contingent on the ability to cancel or rescind acceptance should it not be approved by Council.
- In the case of recurring grants that the City receives annually, the initial Council approval can authorize future approvals. If the intent of the grant or purpose of the funds change, it should return to Council for reapproval.
- In the case of grants for Tacoma Public Utilities, the approval process shall be completed through the Tacoma Public Utilities Board and follow proper processes in cases where Council approval is required pursuant to Charter Section 4.11. For grants with timing issues, authorizations may be completed by the Director of Utilities.



The City Manager should review feasibility of implementation as part of the 2027-2028 biennial budget process.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

The City Council has repeatedly heard from community members regarding grant funding for programs that they did not know about or expect. This step would build belief and trust with community by making the process of approving grants more transparent and putting the ultimate decision in the hands of the elected City Council. Sponsors met with the Tacoma Public Utilities Director to discuss this proposal, and the TPU Director said TPU would create a process in parallel to general government that matches the guidelines outlined for general government in this proposal.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

The City of Tacoma relies on grant funding for a broad range of City services, including funding infrastructure projects, health and human services programs, and housing. All of these topics have equity and accessibility impacts.

Civic Engagement: *Equity Index Score: Moderate Opportunity*

Increase the percentage of residents who believe they are able to have a positive impact on the community and express trust in the public institutions in Tacoma.

Explain how your legislation will affect the selected indicator(s)?

Creating a more transparent process for approving grants would allow community to raise equity and accessibility concerns regarding grants before the City enters into contracts that commit us to deliverables. This provides more opportunities for public to engage with topics and daylight unforeseen impacts on all communities in Tacoma.

ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Take no action	Maintain maximum flexibility and nimbleness to apply for grants on short notice	Does not meet community expectation for review of grant applications
2. Review grants at a lower or higher funding level	Striking the right balance for review is important in order not to overburden grant applications and disincentivize seeking grant funds	Striking the right balance for review is important in order not to overburden grant applications and disincentivize seeking grant funds
3. Require grant review prior to application for grants	Maximize transparency, ensures Council approves grant intentions prior to being awarded grants	Slows down grant application process to the point the City may lose grant opportunities, adds extra administrative steps that requires additional staffing

EVALUATION AND FOLLOW UP:

Implementation of this policy should be reviewed as part of the 2027-2028 mid-biennium budget development process. The City Manager should bring the developed grant approval and tracking process to GPFC for discussion prior to implementation of this policy.



STAFF/SPONSOR RECOMMENDATION:

Sponsors recommend the City Council address the belief and trust gap in how the City applies to and accepts grants by adding in this transparency mechanism that clarifies the City Council is ultimately responsible for determining whether the City will accept grant funding.

FISCAL IMPACT:

While this directive does not have an immediate cost, implementation of this policy will require upfront cost to create or purchase the grant management system, and ongoing costs associated with maintaining the grant management system and department staff requirements to ensure departments compliance with grant tracking approval and tracking, prepare documents and standard procedures for grant applications, acceptance and tracking, review with Legal, get uploaded in Legistar, attend Council meetings to present resolutions and other work related to this initiative. Details of the fiscal impact will need to be determined during the 2027-2028 biennium budget development process for Council consideration.

What Funding is being used to support the expense?

N/A

Are the expenditures and revenues planned and budgeted in this biennium's current budget?

YES

Are there financial costs or other impacts of not implementing the legislation?

No

Will the legislation have an ongoing/recurring fiscal impact?

No

Will the legislation change the City's FTE/personnel counts?

No

ATTACHMENTS:

N/A