



## City of Tacoma

## City Council Action Memorandum

**TO:** Elizabeth Pauli, City Manager  
**FROM:** Danielle Larson, Tax & License Manager, Finance Department  
Andy Cherullo, Finance Director  
**COPY:** City Council and City Clerk  
**SUBJECT:** Ordinance - Establishing After-Hours Club License and Amending Tacoma Municipal Code  
Chapters 6B.70 and 6B.80 – Entertainment Licenses - June 24, 2025  
**DATE:** June 9, 2025

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### SUMMARY AND PURPOSE:

An ordinance establishing a new chapter in the Tacoma Municipal Code (TMC) titled 6B.240 – After-Hours Club to regulate after-hours social clubs that operate between 2 a.m. and 6 a.m. and amending TMC Chapter 6B.70 – Entertainment with Alcohol and Chapter 6B.80 – Entertainment without Alcohol to strengthen current regulations of entertainment establishments.

### BACKGROUND:

The Finance Department's Tax & License Division recommendation is based on a request from the Tacoma Police Department (TPD) to create a regulatory framework around after-hours social clubs.

Over the past five years there have been 27 offenses including 4 homicides and 12 aggravated assaults with a gun associated with after-hours clubs with dozens of additional complaints submitted to the City regarding noise and disturbance from neighboring residents.

- In July 2020, there was a shooting outside of an after-hours club on 38<sup>th</sup> and Yakima Ave
- In February 2021, four people were shot, resulting in one deceased victim at an after-hours club on McKinley Ave.
- In April 2021, two people were shot in the early morning hours outside an after-hours club on South Tacoma Way

Additionally, some of the after-hours clubs have been found serving alcohol without a valid Washington State Liquor License.

The Government Performance and Finance Committee voted unanimously on June 3, 2025, to move this proposal forward to the full City Council.

### COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

The engagement with impacted citizens, businesses, neighboring communities, TPD and City staff during the operation of previous after-hours clubs is the premise behind the new regulatory structure designed to provide additional security measures contributing to a safer environment in and around after-hours clubs.

### 2025 STRATEGIC PRIORITIES:

#### Equity and Accessibility: *(Mandatory)*

Review of the Tax & License code on regular intervals allows staff to use equity and bias training to review the code through an equity lens. While many sections pertain to requirements on businesses and administrative functions, reviewing these through an equity lens allows for removal or changes to code language that would impact the City's equity and anti-racist efforts.



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**Economy/Workforce:** *Equity Index Score:* Moderate Opportunity  
Increase positive public perception related to the Tacoma economy.

**Livability:** *Equity Index Score:* Moderate Opportunity  
Increase positive public perception of safety and overall quality of life.

### ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
Take no action.	N/A	Without the new regulatory structure, the City cannot inspect and approve a club prior to opening, deterring public safety issues that often arise around after-hours clubs.

### STAFF/SPONSOR RECOMMENDATION:

Staff recommends Council pass the Ordinance establishing a new chapter in the Tacoma Municipal Code (TMC) titled 6B.240 – After-Hours Club to regulate after-hours social clubs that operate between 2 a.m. and 6 a.m. and amending TMC Chapter 6B.70 – Entertainment with Alcohol and Chapter 6B.80 – Entertainment without Alcohol to strengthen current regulations of entertainment establishments.

### FISCAL IMPACT:

These proposed amendments have more to do with public safety than license fees. There is a minimal fiscal impact, approximately \$3,000 increase in annual revenues to the general fund.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
0010 General Fund	106500	4321300	\$ (3,000)
<b>TOTAL</b>			

**What Funding is being used to support the expense?**

**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?**

YES

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

No