



City of Tacoma

City Council Action Memorandum

5TO: Elizabeth Pauli, City Manager
FROM: Toryono Green, Fire Chief, Tacoma Fire Department; *Te*
Teresa Green, Senior Business Services Manager, Finance Division, Tacoma Fire Department
COPY: City Council and City Clerk
SUBJECT: Fire Department Maintenance and Operations Levy Lid Lift – Resolution – June 18, 2024
DATE: May 30, 2024

SUMMARY AND PURPOSE:

TFD is requesting a resolution transmitting a proposition to the Pierce County Auditor to be placed on the ballot for the general election on Tuesday, November 5, 2024, that would authorize an increase in the City of Tacoma property tax levy by \$0.65 per \$1,000 of assessed value for collection in 2025 and authorize a multi-year lid lift increase in the levy for future years.

BACKGROUND:

As the community of Tacoma grows and changes, the operations of the Tacoma Fire Department (TFD) need to grow and change along with it to ensure the department continues to meet the needs of the community. Requests for Tacoma Fire services have increased by 10% from 2016 to 2021 and the services offered by TFD have expanded, adding Basic Life Support transport and alternative response programs addressing mental health and substance abuse issues in the community. Combine these new programs and the growing demand for services with the existing state of TFD’s assets – many of which are nearing or beyond the end of their useful life – new resources and additional personnel are needed to update TFD’s capabilities to continue, and improve, response to the evolving needs of the community.

Over 85% of TFD’s facilities were rated as being in poor or critical condition. Tacoma fire stations are an average of 69 years old and many need critical seismic, operational, and safety upgrades. Furthermore, more than 60% of the TFD fleet exceeds or is at its recommended replacement age, with several apparatus failing to meet the safety and reliability standards expected of these life preserving assets.

The proposed levy is projected to fund over \$80M in facilities investments in the first 10 years; including upgrading and replacing existing fire facilities and constructing a new South Tacoma neighborhood fire station to help address call volume issues and response times citywide. This levy would also create ongoing fleet replacement and equipment funding to allow for regular engine, ladder and other apparatus/vehicle replacements; there is no current ongoing funding for apparatus replacement or equipment replacement such as self-contained breathing apparatus and life-saving extrication tools. Additionally, the funds would support some existing TFD expenses related to equipment, external contracts and operating supplies, staff in building maintenance, fleet maintenance, IT support, and prevention and 16 firefighter positions added during 2023-2024 Budget Modification. Staff estimates an average household impact of \$25 per month for the average Tacoma home (based upon a home value of \$450,000).



Council adoption is sought to allow the City to submit a ballot measure for the November 5, 2024 ballot for the levy lid lift and to approve the ballot title as below:

**CITY OF TACOMA
PROPOSITION NO. 1
FIRE DEPARTMENT PROPERTY TAX LEVY INCREASE, LEVY LID LIFT**

The City of Tacoma adopted Resolution No. 41454 concerning lifting the property tax levy for the Tacoma Fire Department (TFD).

This measure enhances TFD facilities, fleet, and staffing to improve response capacity and firefighter safety by increasing the regular property tax levy by \$0.65/\$1,000 to a maximum rate of \$2.52/\$1,000 of assessed value for collection in 2025; authorizing an annual increase up to 6% for 2026-2030 for the additional rate; authorizing the 2030 levy amount as the basis to calculate future levies (RCW 84.55). Qualifying seniors, veterans and others would be exempt (RCW 84.36.381).

Should this proposition be:

Approved..... []

Rejected..... []

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

A related community engagement project, the Facility Advisory Committee (FAC), convened during the spring and summer of 2023. This group examined the current state of the City of Tacoma’s facilities across the organization. They crafted a prioritized list of projects, based on their own scoring and criteria mechanism. This process and prioritization scoring created a project list that consisted predominantly of Fire Department facilities. In fact, 69% of the top half of the list are TFD facilities, including neighborhood fire stations and fire support facilities. For more information on this process and results, please visit www.cityoftacoma.org/facilityimprovement.

All property owners and renters in Tacoma will be impacted by this levy lid lift, through the increase in property tax. Staff will begin communications with the community through advertising & articles, social media postings, and will conduct in-person conversations throughout the next few months as staff discuss with voters the levy and its use.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility:

The proposed revenues will address equity in two dimensions. First, this initiative would help the Fire Department to target investments in areas where call volumes are highest and working conditions are more challenging. In particular, areas in the city that are south and east of I-5 have experienced significant call volume increases over the past few years. These areas are correlated with areas of low opportunities, according to the Tacoma Equity Index. Additionally, there are very different working conditions in different fire stations around the city. Thus, additional resources for the Tacoma Fire Department will result in investments in facilities, working conditions, equipment, and other operational resources that will target many of these resources in areas that have both high call volumes and low opportunity scores, as well as bring the working conditions for firefighters into alignment around the City.



Livability: Equity Index Score: Very High Opportunity

Improve access and proximity by residents to diverse income levels and race/ethnicity to community facilities, services, infrastructure, and employment.

Increase positive public perception of safety and overall quality of life.

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

Additional response resources for the Tacoma Fire Department will result in better response times, allow for better management of the City’s assets, and help repair and replace facilities and equipment that are beyond or reaching the end of their useful lives. Together, these investments will mean a more reliable and better-equipped fire department that is ready to face the emergencies of our growing community. Updating equipment and facilities can lead to a better quality of life for residents and can help drive down costs like property insurance. Ultimately, these additional resources are necessary for the Fire Department to keep up with the changing nature of the Tacoma community as it evolves and grows over time.

ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Single-year lid lift	Limits property tax increases after 2024 to RCW 84.52.050 threshold.	Less predictable rate to residents; may need to return to voters for another lid lift sooner as the levy limitation applies; revenue erosion as program expense increases annually.
2. Delay lid lift	Delays property tax increase.	Lift amount per homeowner will increase in future years; delayed revenue collection will mean the City cannot meet needed replacement or repair for facilities, apparatus, or equipment.
3. No action	No property tax increase.	No additional revenue collection will severely limit the ability of TFD to sustain or increase service, resources or replace or repair facilities, apparatus, or equipment.

EVALUATION AND FOLLOW UP:

If the resolution is approved, staff would return to Council in July with recommendations for appointments of “For” and “Against” Committee members, based on the Government Performance & Finance Committee’s review.

STAFF/SPONSOR RECOMMENDATION:

Seeking Council approval of the recommended ballot language to submit the levy lid lift proposition to voters on November 5, 2024.



FISCAL IMPACT:

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
Fund 1155 - NEW TFD Special Revenue Sub-Fund for Facilities, Equipment, and Operations	NEW	Various	\$29,000,000
TOTAL			\$29,000,000

What Funding is being used to support the expense? Increased Levy proceeds would be approximately \$29M per year, starting in 2025.

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

NO, PLEASE EXPLAIN BELOW

The 2025-2026 Proposed Budget will be submitted for Council consideration to adjust revenues and expenditures, if the proposition is approved by voters. Expenditures for the election costs will be absorbed using the current operating budget.

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

YES, if this legislation is not passed, the General Fund will face increased expenses to support apparatus and equipment replacements, and facilities needs within limited existing resources and will likely require other expense reductions.

Will the legislation have an ongoing/recurring fiscal impact?

YES

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

YES, PLEASE EXPLAIN BELOW

One use of the levy proceeds would be additional TFD personnel to improve deployment and response times.