



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 – Chapter 6B.30 Adult Entertainment – January 28, 2025
DATE: January 13, 2025

SUMMARY AND PURPOSE:

An ordinance amending Tacoma Municipal Code Chapter 6B.30 Adult Entertainment repealing section 6B.30.160 that currently exempts establishments from the license regulations if the adult entertainment establishment has an active liquor license issued by the Washington State Liquor Cannabis Board (LCB). Staff requests Council to declare the ordinance a public emergency per Tacoma City Charter 2.12 with an effective date of January 28, 2025 if passed.

BACKGROUND:

The Finance Department’s Tax & License Division recommendation is based on retaining regulations for all businesses that may want to engage in adult entertainment activity in the City. In 2004 the City Council determined that regulation of the adult entertainment industry was necessary because, in the absence of such regulation, significant criminal activity had historically and regularly occurred. The history of criminal activity in the adult entertainment industry had included prostitution, illegal employment of minors, narcotics, alcoholic beverage law violations, breaches of the peace, tax evasion, and the presence within the industry of individuals with hidden ownership interests and outstanding arrest warrants.

Historically adult entertainment establishments in Washington state were not allowed to serve alcohol according to WAC 314-11-050, however, WAC 314-11-050 was repealed allowing adult entertainment establishments to obtain a liquor license as of June 1, 2024. As such, Chapter 6B.30.160 needs to be repealed to allow City regulation of adult entertainment establishments that have been issued a Washington State LCB liquor license.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

The legislation is required to retain the City’s ability to regulate all adult entertainment establishments.

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.

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.

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

Retaining the ability to regulate adult entertainment activity is imperative to the public health, safety, and general



welfare of citizens.

ALTERNATIVES:

Alternative(s)	Positive Impact(s)	Negative Impact(s)
Retain the exemption that prevents the City from regulating adult entertainment establishments with a State issued liquor license.		Retaining the exemption would allow establishments with a State issued liquor license to engage in adult entertainment without any City regulation which could be detrimental to public health, safety, and general welfare of the citizens.

EVALUATION AND FOLLOW UP:

Since 2008, when TMC Chapter 6B.30 was established, the City has never issued an Adult Entertainment license, however, TMC 6B.30 has not been reviewed or updated since its inception in 2004. Staff will review the chapter more thoroughly and, if necessary, bring forward amendments to the regulations for the Council to consider.

STAFF/SPONSOR RECOMMENDATION:

Staff recommends City Council pass the ordinance amending Tacoma Municipal Code Chapter 6B.30 Adult Entertainment repealing section 6B.30.160 that currently exempts adult entertainment establishments from City license regulations if the adult entertainment establishment has a liquor license issued by the Washington State Liquor Cannabis Board (LCB) with an effective date of January 28, 2025, as allowed per Tacoma City Charter 2.12 if Council declares the ordinance a public emergency.

FISCAL IMPACT:

The legislation has no fiscal impact.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1.			
TOTAL			

What Funding is being used to support the expense?

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

NO, PLEASE EXPLAIN BELOW

The legislation has no fiscal impact.

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