



**TO:** T.C. Broadnax, City Manager  
**FROM:** Nadia Chandler-Hardy, Director Neighborhood and Community Services Director  
**COPY:** City Council, City Clerk and Lisa Wojtanowicz, Division Manager, NCS, Community Based Services  
**SUBJECT:** Resolution – Establishing a Special Project of Limited Duration - December 9, 2014  
**DATE:** November 20, 2014

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**SUMMARY:**

Establish a Fair and Equitable Collection of Business License Fees and Taxes Project as a Special Project of limited duration pursuant to the provisions of Tacoma Municipal Code (TMC) Section 1.24.187 and the City Charter Section 6.1(h).

**STRATEGIC POLICY PRIORITY:**

- A safe, clean and attractive community
- A diverse, productive and sustainable economy
- A high-performing, open and engaged government

**BACKGROUND:**

It is the desire of the City to provide for the fair and equitable collection of business license fees and taxes. There are currently two full-time Tax and License Compliance Officers that enforce Title 6, Tax and License Code, of the TMC with a focus on educating new businesses of their licensing and tax requirements and enforcing regulatory requirements as set out in the TMC. There are more than 5,000 businesses estimated to be operating in the City without a business license and over 2,000 delinquent businesses located in the City. There are also a large number of businesses that operate during non-standard business hours that the City has not reached out to in regards to licensing and tax requirements. Therefore, the City wishes to establish a special project of limited duration in order to address these outstanding issues.

**ISSUE:**

The special project designation will be valid for a two year period beginning on January 1, 2015. Project staff will include three Tax & License Compliance Officers and one Customer Service Representative, Technical. Project staff will perform the work needed to educate and license the over 5,000 existing businesses of their licensing and tax requirements, collect tax and license fees from the over 2,000 businesses located in the City who are delinquent and provide education and outreach to businesses with non-standard business hours.

**ALTERNATIVES:**

The alternative is to not establish a special project and continue our efforts within existing resources.

**RECOMMENDATION:**

Staff recommends City Council approve the Resolution as presented.



**FISCAL IMPACT:**

The special project is estimated to generate approximately \$411,289 in net revenues in the 2015/2016 biennial budget.

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
General Fund: Finance/Tax & License	106500	5110900 - Labor	\$183,784
General Fund: Neighborhood and Community Services	404300	5110900 - Labor	\$606,714
General Fund: Neighborhood and Community Services	404300	541850 - Vehicles	\$50,000
General Fund: Neighborhood and Community Services	404300	5221050 - Computer Supplies	\$28,500
General Fund: Finance/Tax & License	106500	5220100 - Operating Supplies	\$36,600
<b>TOTAL</b>			<b>\$840,498</b>

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
General Fund	404300	4321000	\$896,646
General Fund	106500	4319000	\$447,146
<b>TOTAL</b>			<b>\$1,343,792</b>

**POTENTIAL POSITION IMPACT:**

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
Customer Service Rep, Tech	Project	1.0	12/31/2016
Tax & License Compliance Officer	Project	3.0	12/31/2016
<b>TOTAL</b>		<b>4.0</b>	

*This section should only be completed if a subsequent request will be made to increase or decrease the current position count.*

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET:** These revenues and expenditures are planned for the 2015/2016 budget.

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** Yes