



**TO:** Hyun Kim, Interim City Manager  
**FROM:** Mayor Victoria Woodards, Deputy Mayor Kiara Daniels, Council Member Jamika Scott, Council Member Kristina Walker, and Christina Caan, Policy Analyst  
**COPY:** City Council and City Clerk  
**SUBJECT:** Ordinance to update Tacoma Municipal Code Chapter 1.55, which is the Tacoma Creates program and the one tenth of one percent sales and use tax that funds it, to ensure funding continues to nurture and build durable cultural organizations in our city and provide access to arts, culture, heritage, and science programming – September 30, 2025  
**DATE:** September 16, 2025

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### **SUMMARY AND PURPOSE**

An ordinance to update Tacoma Municipal Code (TMC) Chapter 1.55, which is the Tacoma Creates program and the one tenth of one percent sales and use tax that funds it, to ensure funding continues to nurture and build durable cultural organizations in our city and provide access to arts, culture, heritage, and science programming.

### **COUNCIL SPONSORS**

Mayor Victoria Woodards, Deputy Mayor Kiara Daniels, Council Member Jamika Scott, Council Member Kristina Walker

### **LEGISLATIVE INTENT**

We ask for your support to update Tacoma Municipal Code (TMC) Chapter 1.55, which is the Tacoma Creates program and the one tenth of one percent sales and use tax that funds it, to ensure funding continues to nurture and build cultural organizations in our city and provide access to arts, culture, heritage, and science programming. Tacoma Creates is a Cultural Access Program, approved by voters in 2018 and funded by a local sales tax of 1/10<sup>th</sup> of 1 percent. Overseen by the Arts & Cultural Vitality Division of the City's Community and Economic Development Department, Tacoma Creates helps fund nonprofit organizations with a primary purpose to provide public programming in arts, culture, heritage, and science. Tacoma Creates also aims to reduce barriers to access and expand programming offerings citywide.

- Since 2019, Tacoma Creates has provided over \$30 million in funding to more than 100 cultural organizations, who in turn have produced more than 5,000 programs and events, reaching more than four million participants.<sup>1</sup>

The Tacoma City Council is considering reimposing Tacoma Creates with councilmanic authority, creating an opportunity to update the original code. We are proposing several updates that would uphold the intention of the voter-approved ordinance, while also bringing the code up to date with current needs and standards. Our recommended updates include:

- Making stylistic edits to update new office names and ensure consistency with current City terminology, such as updating the name of "Office of Arts and Cultural Vitality" to the "Arts and Cultural Vitality Division."

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<sup>1</sup> [Tacoma Creates Initiative | City of Tacoma](#)



- Restructuring funding categories to better reflect administrative costs and identified needs in the community. Specifically, the “administration funding” percentage needs to be increased to keep delivering high-quality work and customer service as the program workload grows. In addition, the new “cultural organization funding” category should include support for capital expenditures to ensure the growth and longevity of our cultural organizations, particularly amid potentially declining alternative resources.
- Expanding support for the Public School Cultural Access Program to reflect the City’s collaboration with Tacoma Public Schools and partner organizations on new out of school time programming, such as Summer Late Nights.

**ORDINANCE REQUEST:** This ordinance would update Tacoma Municipal Code (TMC) Chapter 1.55, which is the Tacoma Creates program and the one tenth of one percent sales and use tax that funds it, to ensure funding continues to nurture and build durable cultural organizations in our city and provide access to arts, culture, heritage, and science programming.

### COMMUNITY ENGAGEMENT

Mayor Victoria Woodards, Deputy Mayor Kiara Daniels, Council Member Jamika Scott, and Council Member Kristina Walker, along with Tacoma Creates staff, have met with the Tacoma Creates Advisory Board and the Tacoma Creates Reauthorization Committee to seek feedback on the proposed code updates. In addition, Tacoma Creates staff have received community feedback on program implementation through report forms, roundtables sessions, and focus groups that has been incorporated into these proposed updates.

### 2025 STRATEGIC PRIORITIES

**Equity and Accessibility:** Tacoma Creates directly aligns with Tacoma 2025, the City’s long-term strategic plan and community’s vision for the future.<sup>2</sup> Specifically, Tacoma Creates advances our goals to nurture a vibrant creative economy, improve community members’ ability to access arts, culture, heritage, and science programming, and bolster access to out of school time learning for young people. In addition, Tacoma Creates funding goals and criteria are informed by Resolution 40622 and the City’s Equity Index.<sup>3</sup> Tacoma Creates aims to enhance equity and accessibility in cultural programming by supporting free programming, discounts, and scholarships, ensuring programming occurs citywide, and expanding disability access, such as opportunities for ASL-interpreted performances, low-sensory concerts, museum tours for people with vision impairment.<sup>4</sup>

**Economy/Workforce:** *Equity Index Score:* Moderate Opportunity

Increase positive public perception related to the Tacoma economy.

Increase the number of infrastructure projects and improvements that support existing and new business developments.

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<sup>2</sup> [Tacoma Strategic Plan | City of Tacoma](#)

<sup>3</sup> [Equity Index | City of Tacoma](#)

<sup>4</sup> [Program Locations — Tacoma Creates](#)



**Education:** *Equity Index Score:* Moderate Opportunity

Increase the number of quality out of school time learning opportunities distributed equitably across the city.

**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.

**Livability:** *Equity Index Score:* Moderate Opportunity

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

**ALTERNATIVES**

Alternative	Positive Impacts	Negative Impacts
Do not update Tacoma Creates.	Tacoma Creates could continue to be implemented as is.	Council would miss an opportunity to make stylistic and substantive updates that reflect the current organizational, definitional, and administrative needs of the program.
Do not offer funding for capital expenditures.	Additional funding could go toward programming.	Cultural organizations are likely to struggle to acquire financial assistance to purchase or renovate their workspaces, as well as costly equipment, potentially limiting their reach in the community and their ability to sustain their work.
Maintain the original administrative funding limit.	Some additional funding could go toward programming and capacity building.	The City would not be able to keep up with the administrative needs related to the consistent annual growth of 9–15 percent in applications and contracts and increased expectations for program implementation. The City would also not be able to meet the 3 percent citywide indirect cost assessment need. These gaps are likely to decrease the number of organizations that can be funded. It will also reduce staff's ability to deliver high-quality programs and customer support.

**EVALUATIONS AND FOLLOW UP**

If approved, the Arts and Cultural Vitality Division of the City's Community and Economic Development Department will continue to provide updates to the City Council on funding for Tacoma Creates. This includes continuing the Tacoma Creates annual report and providing a new high-level budget overview of the five core spending areas to City Council prior to the allocation of funding.

**SPONSOR RECOMMENDATION**

Sponsors recommend approving this ordinance.



### FISCAL IMPACT

If approved, this ordinance will reimpose a sales and use tax of 1/10<sup>th</sup> of 1 percent to fund Tacoma Creates. This sales and use tax is estimated to generate approximately \$7-\$7.5M per year in revenue.

Below is a history of past sales and use tax collections:

- 2019: \$4,684,510
- 2020: \$5,990,889
- 2021: \$6,947,195
- 2022: \$7,442,541
- 2023: \$7,336,235
- 2024: \$7,521,879

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

The table below shows the current allocation percentages and the proposed changes to those allocations.

Program Area	Current %	Current Allocations	Proposed %	Proposed Allocations
Cultural Organization Funding	≥78%	\$5,850,000	≥76%	\$5,700,000
Admin/Program Management	≤8%	\$600,000	≤14%	\$1,050,000
Capacity Building	≤6%	\$450,000	≤5%	\$375,000
Transportation	≤8%	\$600,000	≤5%	\$375,000
<b>Total Expenses</b>	<b>100%</b>	<b>\$7,500,000</b>	<b>100%</b>	<b>\$7,500,000</b>

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

Yes, the expenditures and revenues are planned for this biennium, however, without reimposing the 1/10 of 1 percent, there would be no on-going funding to support Tacoma Creates in future bienniums.

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

While the sales and use tax is a cost for the public, a thriving creative economy is vital for Tacoma's broader economic health and supports local jobs. The Arts & Economic Prosperity 6 report showed that the direct economic activity generated by nonprofit arts and culture organizations and their audiences in Tacoma was nearly \$163 million in fiscal year 2022.<sup>5</sup> This impact includes supporting 2,065 jobs, generating \$28.7 million in tax revenue, and providing \$87.2 million in personal income to local residents. In addition, the report demonstrated that when we fund arts and culture, we are investing in an industry that contributes to building healthy communities by nurturing social

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<sup>5</sup> [Arts & Economic Prosperity | City of Tacoma](#)



connections, promoting community pride and identity, and boosting tourism by providing authentic experiences that draw visitors to the city.

**Will the legislation have an ongoing/recurring fiscal impact?**

Yes, if approved, this ordinance will reimpose a sales and use tax of 1/10<sup>th</sup> of 1 percent to fund Tacoma Creates for an additional 7 years. This sales and use tax is estimated to generate approximately \$7.5M per year in revenue.

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

If approved, staff do not anticipate changes to current FTE levels.